AMENDED IN ASSEMBLY APRIL 28, 2003 AMENDED IN SENATE JANUARY 30, 2003

CALIFORNIA LEGISLATURE—2003-04 FIRST EXTRAORDINARY SESSION

SENATE BILL

No. 7

Introduced by Committee on Budget and Fiscal Review

January 27, 2003

An act to amend Section 14556.8 of the Government Code, to amend Sections 21682 and 21683.1 of the Public Utilities Code, and to amend Section 7104 of the Revenue and Taxation Code, relating to transportation. An act to amend Sections 1103 and 1103.2 of the Civil Code, to amend Sections 116.820, 177.5, and 1218 of the Code of Civil Procedure, to repeal Section 13001 of the Elections Code, to amend Sections 713, 2536, 2540, 3031, 4654, 6596, 6596.1, 7149, 7149.05, 7149.8, 7360, 7360.1, 7361, 7362, 7363, 7380, 7852, 7881, and 7921 of, to amend the heading of Article 4 (commencing with Section 7360) of Chapter 2 of Part 2 of Division 6 of, and to repeal Sections 7149.1, 7149.15, 7852.21, 7852.3, and 7921.5 of, the Fish and Game Code, to amend Sections 11502.5, 11703, 11704, 11707, 11903, 11904, 12021, 12103, 12104, 12105, 12201, 12202, 12252, 12401, 12404, 12841, 12841.1, and 14152 of, and to repeal Sections 11515 and 11516 of, the Food and Agricultural Code, to amend Sections 5924, 8589.4, 17526, 26830, 29145, 68926, 84605, and 84606 of, to add Sections 17213, 26825, 65085.5, and 65085.6 to, to repeal Sections 8589.5, 29550.4, and 43402 of, and to repeal Chapter 1.5 (commencing with Section 16110) of Part 1 of Division 4 of Title 2 of, the Government Code, to amend Sections 17036 and 17062.5 of, and to add Sections 17062.7 and 33681.9 to, the Health and Safety Code, to amend Sections 12975.7 and 12975.8 of, and to add Section 10088.7 to, the Insurance Code, to add

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Section 4386 to, to repeal Section 3600.6 of, and to repeal Article 1 (commencing with Section 4351) and Article 3 (commencing with Section 4381) of Chapter 10 of Part 1 of Division 4 of, the Labor Code, to amend Section 1012.3 of the Military and Veterans Code, to amend Sections 166, 2962, 2964, 2966, 6051, 6129, 11050.5, 13601, and 13602 of, and to add Section 1465.8 to, the Penal Code, to amend Sections 21682 and 21683.1 of the Public Utilities Code, to amend Sections 7102, 7104, and 18049 of, and to add Sections 97.25, 11005.8, 18621.9, and 19170 to, the Revenue and Taxation Code, and to amend Sections 912 and 912.1 of the Welfare and Institutions Code, relating to local and state government, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

- SB 7, as amended, Committee on Budget and Fiscal Review. Transportation finance Local and state government.
- (1) Existing law establishes in the Trial Court Trust Fund and provides that certain fees collected by a trial court or county clerk shall be deposited in a special account in the county treasury and transmitted monthly to the Controller for deposit in that trust fund.

This bill would expand the list of fees and fines that are to be transmitted to the Controller for deposit into that trust fund.

(2) Existing law requires the Department of Fish and Game to use the changes in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, as published by the United States Department of Commerce, as the index to determine an annual rate of increase or decrease in the fees for licenses, stamps, permits, and tags issued by the department, except commercial fishing fees.

This bill would delete the exemption for commercial fishing fees from these requirements. The bill would require the index to be used to determine an annual rate of increase or decrease in entitlements issued by the department.

(3) Under existing law, licenses, license tags, license stamps, permits, certificates, and other entitlements are issued by the Department of Fish and Game for specified fees that authorize various activities relating to taking and possession of birds, mammals, and fish. Fees collected for those entitlements are deposited in the Fish and Game Preservation Fund, a fund continuously appropriated to the

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department and the Fish and Game Commission to carry out the Fish and Game Code.

This bill would increase the amounts for issuing, possessing, replacing, and renewing certain fees or entitlements and would provide for the adjustment of those fees or entitlements by an inflation index. The bill would repeal provisions authorizing the upgrading of a valid resident sport ocean fishing license to an annual resident sport fishing license.

(4) Existing law provides for a striped bass validation, including related provisions for striped bass habitat restoration, and repeals these provisions on January 1, 2004.

This bill would delete the striped bass provisions and would instead provide for the issuance of a Bay-Delta Sport Fishing Enhancement stamp and make other conforming changes. The bill would require the fees from the stamp to be deposited in a separate account in the Fish and Game Preservation Fund to monitor, manage, and enhance Bay-Delta sport fish and sport fishing. The bill would repeal those provisions on January 1, 2015.

The bill would repeal provisions authorizing the upgrade of a valid resident crewmember commercial fishing license to a resident operator commercial fishing license and the issuance of a commercial fishing license for a specified fee to a person who is 16 years or more, but than 18 years of age, and who actively assist in fishing activities. The bill would repeal the fee for a license for a vessel if the owner or operator has a commercial salmon stamp. Because the bill would impose new duties on the department and the commission, and, to the extent that this bill would result in additional money being deposited in the fund, the bill would make an appropriation.

(5) Existing law makes a violation of a provision of the Fish and Game Code a crime.

To the extent that the new fees in the bill would redefine crimes related to issuing, possessing, replacing, or renewing the entitlements or the requirements for transacting business as a license agent, the bill would impose a state-mandated local program.

(6) Existing law authorizes the Director of Pesticide Regulation to adopt regulations and establish minimum requirements in connection with licenses and certificates pertaining to pesticides. Existing law also specifies various fees for and in connection with various licenses, and certificates, including examinations for the same, renewals, late fees, and other charges in connection thereto.

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This bill would instead, provide the director with authority to set these fees by regulation, as prescribed. The bill would provide that the fees collected would be deposited in the Department of Pesticide Regulation Fund, and would be available for expenditure by the department, upon appropriation, for the purposes of carrying out various specified pesticide licensing and certification programs. This bill would also make conforming changes to provisions of law in connection with the fees and charges to be set by regulation.

Until July 1, 2004, existing law requires every registrant of a pesticide product to pay the Director of Pesticide Regulation an assessment of 17.5 mills per dollar of sales for all sales by that person of registered pesticides for use in this state. Existing law provides that effective July 1, 2004, and thereafter, the mill assessment rate would be reduced to 9 mills per dollar of sales, for all sales of pesticide for use in this state. Existing law also provides that the director may lower the mill assessment rate, when in addition to other criteria, the director determines that revenues collected would result in a reserve amount greater than \$2.5 million.

This bill would instead provide that from January 1, 2003, through June 30, 2003, the rate would be 17.5 mills. The bill would further provide that for all transactions on or after July 1, 2003, the rate would be set by regulations adopted by the director, but not to exceed 27 mills per dollar of sales. The bill would further provide that if the regulations are not adopted before a payment of the assessment is due, payment would be made at the rate of 17.5 mills and, upon adoption of the regulations, payment of any additional amount would be made. This bill would delete the authority of the director to lower the mill assessment rate, when in addition to other criteria, the director determines that revenues collected would result in a reserve amount greater than \$2.5 million. This bill would provide that the regulations pertaining to the mill assessment rate are deemed emergency regulations, as specified.

Existing law also provides that until July 1, 2004, an additional 3/4 mill assessment may be collected, if necessary, to fund certain duties of the Department of Food and Agriculture, as specified. Existing law also provides for the deposit of these funds and their use, upon appropriation by the Legislature for specified purposes. Existing law provides for the repeal of these provisions on July 1, 2004.

This bill would extend the operation of these provisions indefinitely, by deleting the repeal provisions.

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(7) Under existing law, there is continuously appropriated without regard to fiscal years, from the General Fund for purposes relating to public finance, an amount that will equal the sum annually as will be necessary to pay all obligations, including principal, interest, fees, costs, indemnities, and all other amounts, incurred by the state under or in connection with any credit enhancement or liquidity agreement (including in the form of a letter of credit, standby purchase agreement, reimbursement agreement, liquidity facility, or other similar arrangement) entered into by the state.

This bill would make that provision applicable to specified costs related to bonds payable pursuant to an appropriation from the General Fund.

Existing law prescribes procedures for the issuance of registered and other specified warrants.

This bill would make the Controller the agent for sale for those specified warrants.

(8) Existing law establishes in the Office of the Governor, the Office of Emergency Services, under the direction of the Director of the Office of Emergency Services. The office is assigned various duties relating to civil defense, disasters, and massive emergencies. Existing law requires the local governmental organization, utility, or other owner of any dam designated by the office, in consultation with the Department of Water Resources, whose partial or total failure would result in death or personal injury, to submit to the office innundation maps showing the areas of potential flooding from that failure. Existing law requires the office to review those maps and designate areas within which death or personal injury would occur from the total or partial failure of the dams. Existing law requires the office to review emergency procedures for evacuation and control of areas below the dams adopted by public safety agencies according to specified standards.

This bill would repeal those provisions on innundation maps and make related changes.

(9) Existing law provides for special supplemental subventions for certain cities, multicounty special districts, redevelopment agencies, and nonenterprise special districts other than multicounty special districts that lost revenues due to the repeal of certain personal property tax subventions.

This bill would repeal the law providing for those subventions.

(10) Existing law authorizes a county to impose, among other fees with respect to criminal justice services, a booking fee upon other local

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agencies and colleges and universities for county costs incurred in processing or booking persons arrested by employees of those entities and brought to county facilities for booking or detention. Existing law continuously appropriates up to \$50,000,000 annually from the General Fund to the Controller for allocation to cities and qualifying special districts for reimbursement for actual booking and processing costs paid to counties.

This bill would repeal this continuous appropriation provision.

(11) Under the Political Reform Act of 1974, filing statements and reports online with the Secretary of State is required when a candidate, officeholder, committee, or other person, as specified, meets set monetary thresholds for contributions, expenditures, loans, or payments.

This bill would delete the monetary thresholds that trigger the online filing requirement, and would require online filing for all specified candidates, officeholders, committees, and persons. The bill would also make conforming changes to existing law.

Existing law makes a violation of the act subject to administrative, civil, and criminal penalties.

This bill would impose a state-mandated local program by imposing these penalties on persons who violate the provisions of this bill.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes with a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill, which would declare that it furthers the purposes of the act, would therefore require a $\frac{2}{3}$ vote.

(12) The Employee Housing Act requires the department to establish a fee schedule to pay for the cost of administration and enforcement of the act.

This bill would authorize, upon a specified finding, revisions to this fee schedule to be adopted as an emergency regulation that remains in effect until modified by the department or the statutory authority for the schedule is repealed, whichever comes first.

The act requires the balance of any award of damages in an action brought pursuant to the act, above a specified amount, to be deposited in the Farmworker Housing Grant Fund, which is continuously appropriated to the department for specified purposes.

This bill would create the Employee Housing Inspection Fund in the State Treasury and would instead require the above described award __7 __ SB 7

balance, as well as other specified funds made available to, or received by the department, to be deposited in the fund for specified purposes.

(13) The existing Community Redevelopment Law requires a redevelopment agency to remit prescribed amounts to the county auditor for deposit in the Educational Revenue Augmentation Fund (ERAF) in certain fiscal years.

This bill would require each of those agencies, during the 2002–03 fiscal year, to remit a pro rata share of an aggregate amount of \$100,000,000 of property tax increment revenue to the county auditor for deposit in the county's ERAF. By imposing additional local duties in connection with the allocation of property tax revenues, this bill would impose a state-mandated local program.

(14) Existing law creates the Seismic Safety Commission with various responsibilities related to seismic safety. Existing law provides for the regulation of insurers by the Insurance Commissioner, and requires insurers to offer residential earthquake insurance coverage either directly or through the California Earthquake Authority.

This bill, until July 1, 2007, would require the Insurance Commissioner to impose an assessment on insurers relative to the aggregate premiums earned on commercial and residential earthquake insurance policies, with revenue from the assessment to be deposited in the Seismic Safety Account in the Insurance Fund and to be available for support of the Seismic Safety Commission. The bill would authorize loans from the Insurance Fund to the Seismic Safety Account to be repaid as revenues become available to the account from the assessments. The bill would authorize an insurer to recover the amount of the assessment from its insureds.

(15) Existing law sets forth a program for providing a defined disaster service worker with workers' compensation benefits. Existing law provides that workers' compensation for disaster service workers and their dependents may only be furnished from money appropriated for this purpose. Existing law sets forth special provisions for circumstances in which a disaster service worker receives, or will receive, benefits from the United States government.

This bill would repeal these workers' compensation provisions concerning disaster service workers, except for the special provision concerning federal benefits.

(16) Existing law establishes the Veterans' Home of California, and establishes the total individual member's fees and charges based on the level of care. Existing law provides that for residential care a member's

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fees and charges for any fiscal year may not be greater than $47^{1}/_{2}\%$ of the member's annual income, or \$1,200 per month, whichever is less.

This bill would instead provide, for residential care, that the total of the member's fees and charges for any fiscal year may not be greater than 55% of the member's annual income, or \$1,200 per month, whichever is less.

(17) Existing law requires a prisoner, as a condition of parole, to be treated by the Department of Mental Health if the prisoner is determined to have a severe mental disorder, and meets certain other criteria. Existing law provides that if professionals from the Department of Mental Health and the Department of Corrections do not concur that a prisoner has a severe mental disorder, or do not concur with respect to certain other criteria, the Board of Prison Terms must order a further examination by 2 independent professionals, as specified.

This bill would require that one independent professional be appointed in this circumstance.

Existing law requires the Board of Prison Terms to appoint 2 independent professionals to evaluate a prisoner in connection with a hearing to determine if the prisoner meets the criteria for treatment by the Department of Mental Health.

This bill would require that one professional be appointed in this circumstance, and that no appointment be made if the prisoner was previously evaluated by an independent professional as a result of a difference of opinion between the Department of Mental Health and the Department of Corrections.

Existing law provides that if the Department of Mental Health has not placed a parolee on outpatient treatment within 60 days after receiving custody of the parolee, or after parole is continued, as specified, the parolee may request a hearing before the Board of Prison Terms, and the board shall conduct a hearing to determine whether the prisoner shall be treated as an inpatient or an outpatient.

This bill would eliminate a prisoner's right to request a hearing in this circumstance.

(18) Existing law provides for the independent office of the Inspector General and provides that the Inspector General shall be appointed by the Governor, subject to Senate approval of that appointment. The Inspector General is responsible for reviewing departmental policy and procedures for conducting investigations and audits of investigatory practices and other audits and investigations of the Department of Corrections, the Department of the Youth Authority, the Board of Prison

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Terms, the Youthful Offender Parole Board, or the Board of Corrections, as requested by either the Secretary of the Youth and Adult Correctional Agency or a Member of the Legislature as specified.

Existing law requires the Inspector General to conduct a management review audit of any warden in the Department of Corrections, or superintendent in the Department of the Youth Authority who has held the position for more than 4 years and following confirmation of a new warden or the appointment of a new superintendent, as specified.

This bill would instead provide that the Inspector General may conduct a management review audit of any warden in the Department of Corrections or superintendent in the Department of Youth Authority.

Existing law requires the Inspector General to commence an investigation within 30 days of receiving a complaint of retaliation from an employee of the Youth and Correctional Agency, the Department of Corrections, the Department of the Youth Authority, the Board of Corrections, the Board of Prison Terms, the Youthful Offender Parole Board, or the Inspector General.

This bill would provide that the Inspector General may conduct an investigation, as provided.

(19) Existing law authorizes the Department of Justice to charge a fee for crime laboratory services it provides to various law enforcement agencies.

This bill would require the department to charge a fee in that regard.

(20) Existing law establishes the Commission on Correctional Peace Officer Standards and Training, and charges it with various duties in connection with the training of correctional peace officers in both the Department of Corrections and the Department of the Youth Authority. Existing law requires correctional peace officers of the Department of Corrections and the Department of the Youth Authority to complete training for supervisorial positions, and provides for stress management training.

This bill would provide that those training provisions only apply to correctional peace officers in the Department of Corrections.

(21) Existing law requires a business or entity to obtain various environmental permits prior to undertaking any project that may have an impact on the environment.

Existing law requires the Secretary for Environmental Protection to establish permit assistance centers throughout the state to provide businesses and other entities with assistance in complying with the laws SB 7 — 10 —

and regulations implemented by the boards, departments, and offices within the agency. Existing law also requires the secretary to establish an electronic online permit assistance center and to report annually on the number of permits issued or handled by each center.

This bill would delete the requirements that the Secretary for Environmental Protection establish permit assistance centers throughout the state and report annually on the number of permits issued or handled by each center.

(22) Under the Federal Aviation Administration Authorization Act of 1994, airport sponsors may submit applications to the Secretary of Transportation for financial assistance for airport improvement projects. Under the act, upon approval by the Secretary of Transportation, the United States government may pay for certain project costs.

Existing law establishes the Aeronautics Account in the State *Transportation Fund and requires the Department of Transportation to* establish individual revolving fund subaccounts for eligible airports in the Aeronautics Account. Existing law requires that funds in the account be paid to certain public entities owning and operating an airport for projects for airport and aviation purposes, as defined, or operation and maintenance purposes, as defined. Existing law authorizes any balance remaining in the fund to be used as a portion of the local match for federal Airport Improvement Program grants for general aviation airports, as defined, or reliever airports, as defined. Existing law prohibits the California Transportation Commission from allocating funds until the federal grant offer is accepted by the public entity. Existing law authorizes the Department of Transportation, until December 31, 2006, upon allocation of the funds by the commission, to pay a public entity 10% of the local matching share of a federal Airport Improvement Program grant for security projects, as defined, at small general aviation airports, as defined.

This bill would provide that the balance of funds in the Aeronautics Account credited to airport subaccounts may be transferred to the General Fund, upon appropriation by the Legislature and that the credit of funds to subaccounts is suspended for the 2003–04 fiscal year. The bill would further provide that in allocating funds for use in providing a portion of the local match for federal Airport Improvement Program grants, the commission is required to give highest priority to grants for security projects.

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(23) Existing property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified formulas and procedures, and generally requires that each jurisdiction be allocated an amount equal to the total of the amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications, and that jurisdiction's portion of the annual tax increment, as defined. Existing property tax law also reduces the amounts of ad valorem property tax revenue that would otherwise be annually allocated to the county, cities, and special districts pursuant to these general allocation requirements by requiring, for purposes of determining property tax revenue allocations in each county for the 1992–93 and 1993–94 fiscal years, that the amounts of property tax revenue deemed allocated in the prior fiscal year to the county, cities, and special districts be reduced in accordance with certain formulas. It requires that the revenues not allocated to the county, cities, and special districts as a result of these reductions be transferred to the Educational Revenue Augmentation Fund in that county for allocation to school districts, community college districts, and the county office of education.

This bill would, for the 2003–04 fiscal year, require an additional reduction of \$500,000,000 in total amount of property tax revenue allocated to a county of the first class and the transfer of those revenues to the county's Education Revenue Augmentation Fund. This bill would prohibit this additional reduction and transfer from being incorporated into the calculation of property tax revenue allocations for any subsequent fiscal year.

The Vehicle License Fee (VLF) Law establishes, in lieu of any ad valorem property tax upon vehicles, an annual excise tax in the amount of 2% of the market value of each vehicle subject to registration in this state. The VLF Law offsets this amount by 67.5% for vehicle license fees with a final due date on or after July 1, 2001. Existing law requires the Controller, upon receipt of monthly notification from the Department of Motor Vehicles, to transfer, into the Local Revenue Fund and the Motor Vehicle License Fee Account in the Transportation Tax Fund, both vehicle license fee revenues and an amount necessary to reimburse local governments for losses resulting from the vehicle license fee offset. Existing requires that a specified portion of the moneys in the Motor Vehicle License Fee Account in the Transportation Tax Fund be allocated to $^{1}/_{2}$ to cities and cities and counties and $^{1}/_{2}$ to counties and cities and counties, as specified.

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This bill would, for July 2003 and each month thereafter until a county of the first class is provided with a reimbursement for the property tax revenue transfer required by this bill, require that certain portions of the vehicle license fee revenues otherwise allocated to the cities and cities and counties, and the counties and cities and counties, instead be allocated to a county of the first class.

This bill would make legislative findings and declarations as to the necessity of a special statute.

Existing law also requires the Controller, as specified, to quarterly reimburse cities and cities and counties, and counties and cities and counties for revenue losses resulting from the exclusion of specified commercial vehicles from the vehicle license fees imposed under the VLF Law.

This bill would repeal the provisions requiring this quarterly reimbursement of cities and cities and counties and would, for calendar quarters beginning on or after July 1, 2004, limit corresponding reimbursements of counties and cities and counties to those amounts necessary to meet the debt service associated with specified local bonds.

(24) Article XIX B of the California Constitution requires, commencing with the 2003–04 fiscal year, certain sales taxes on motor vehicle fuel that are deposited in the General Fund to be transferred to the Transportation Investment Fund for allocation to various transportation purposes.

This bill would provide for a loan of \$500,000,000 from the Transportation Investment Fund to the General Fund during fiscal year 2003–04, to be repaid no later than June 30, 2009, pursuant to a repayment plan developed by the Department of Finance. The bill would revise the statutory language applicable to the Transportation Investment Fund and make the fund subject to appropriation by the Legislature, consistent with Article XIX B of the California Constitution.

(25) Existing law, pursuant to Proposition 116 of 1990, creates the Public Transportation Account as a trust fund, and provides that funds in the account, derived from certain sales taxes on fuels, are available only for transportation planning and mass transportation purposes. These provisions may be amended by the Legislature only by a $^2/_3$ vote of both houses if the amending statute is consistent with, and furthers the purposes of, the provision.

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This bill would amend the initiative provisions by providing for the transfer of certain revenues to the Transportation Investment Fund that would otherwise be deposited in the Public Transportation Account.

(26) Existing law requires counties to pay to the Department of the Youth Authority a monthly fee for each person committed to the department from the county. The amount of the fee is either \$150 per month or, if the person committed one of a list of specified offenses, a specified percentage of the per capita institutional cost. Existing law defines "per capita institutional cost" as the lesser of that current cost or that cost charged to counties on January 1, 1997.

This bill would, as of July 1, 2003, require those counties to pay either \$176 per month or a specified percentage of the per capita institutional cost. The bill would redefine "per capita institutional cost" as \$36,504, adjusted annually according to increases in a specified consumer price index.

(27) Existing law directs the Department of the Youth Authority to close at least one facility operated by the department for youthful offenders by June 30, 2004.

This bill instead directs the department to close at least one facility by July 1, 2003, as specified.

(28) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

- (29) The bill would declare that it is to take effect immediately as an urgency statute.
- (1) Existing law requires that certain revenues from sales and use taxes on motor vehicle fuel be transferred from the General Fund to the Transportation Investment Fund beginning in the 2003–04 fiscal year. Under Article XIX B of the California Constitution, this revenue transfer may in specified circumstances be suspended in whole or in part

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for a fiscal year. Existing law, the Traffic Congestion Relief Act of 2000, establishes the Traffic Congestion Relief Fund (TCRF) that is funded in part by General Fund revenue deposited in the Transportation Investment Fund. Existing law authorizes a loan, through the annual Budget Act, of funds in the TCRF not currently needed by projects authorized to be funded under the act, to the General Fund. Under existing law, the General Fund is required to repay all of these loans by June 30, 2006, and is also required to repay these loans earlier if funds in the TCRF are inadequate, as determined by the Director of Finance, to support TCRF projects.

This bill would additionally authorize a loan of TCRF funds to the General Fund through legislation other than the annual Budget Act. The bill would cancel any obligation for repayment of \$100,000,000 loaned from the TCRF to the General Fund in the Budget Act of 2002.

(2) Existing law establishes the Aeronautics Account in the State Transportation Fund and requires the Department of Transportation to establish individual revolving fund subaccounts for eligible airports in the Aeronautics Account. Existing law requires that funds in the account be paid to certain public entities owning and operating an airport for projects for airport and aviation purposes, as defined, or operation and maintenance purposes, as defined. Existing law authorizes any balance remaining in the fund to be used as a portion of the local match for federal Airport Improvement Program grants for general aviation airports, as defined, or reliever airports, as defined. Existing law prohibits the California Transportation Commission from allocating funds until the federal grant offer is accepted by the public entity. Existing law authorizes the Department of Transportation, until December 31, 2006, upon allocation of the funds by the commission, to pay a public entity 10% of the local matching share of a federal Airport Improvement Program grant for security projects, as defined, at small general aviation airports, as defined.

This bill would provide that the balance of funds in the Aeronauties Account credited to airport subaccounts may be transferred to the General Fund, upon appropriation by the Legislature and that the credit of funds to subaccounts is suspended for the 2003–04 fiscal year. The bill would further provide that in allocating funds for use in providing a portion of the local match for federal Airport Improvement Program grants, the commission is required to give highest priority to grants for security projects.

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Vote: majority ²/₃. Appropriation: no yes. Fiscal committee: yes. State-mandated local program: no yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14556.8 of the Government Code is 2 SECTION 1. Section 1103 of the Civil Code is amended to 3 read:

- 1103. (a) Except as provided in Section 1103.1, this article applies to any transfer by sale, exchange, installment land sale contract, as defined in Section 2985, lease with an option to purchase, any other option to purchase, or ground lease coupled with improvements, of any real property described in subdivision (c), or residential stock cooperative, improved with or consisting of not less than one nor more than four dwelling units.
- (b) Except as provided in Section 1103.1, this article shall apply to a resale transaction entered into on or after January 1, 2000, for a manufactured home, as defined in Section 18007 of the Health and Safety Code, that is classified as personal property intended for use as a residence, or a mobilehome, as defined in Section 18008 of the Health and Safety Code, that is classified as personal property intended for use as a residence, if the real property on which the manufactured home or mobilehome is located is real property described in subdivision (c).
- (c) This article shall apply to the transactions described in subdivisions (a) and (b) only if the transferor or his or her agent are required by one or more of the following to disclose the property's location within a hazard zone:
- (1) A person who is acting as an agent for a transferor of real property that is located within a special flood hazard area (any type Zone "A" or "V") designated by the Federal Emergency Management Agency, or the transferor if he or she is acting without an agent, shall disclose to any prospective transferee the fact that the property is located within a special flood hazard area if either:
- (A) The transferor, or the transferor's agent, has actual knowledge that the property is within a special flood hazard area.
- (B) The local jurisdiction has compiled a list, by parcel, of properties that are within the special flood hazard area and a notice has been posted at the offices of the county recorder, county

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assessor, and county planning agency that identifies the location of the parcel list.

- (2) A person who is acting as an agent for a transferor of real property that is located within an area of potential flooding, designated pursuant to Section 8589.5 of the Government Code, or the transferor if he or she is acting without an agent, shall disclose to any prospective transferee the fact that the property is located within an area of potential flooding if either:
- (A) The transferor, or the transferor's agent, has actual knowledge that the property is within an inundation area.
- (B) The local jurisdiction has compiled a list, by parcel, of properties that are within the inundation area and a notice has been posted at the offices of the county recorder, county assessor, and county planning agency that identifies the location of the parcel list.
- (3) A transferor of real property that is located within a very high fire hazard severity zone, designated pursuant to Section 51178 of the Public Resources Code, shall disclose to any prospective transferee the fact that the property is located within a very high fire hazard severity zone and is subject to the requirements of Section 51182 if either:
- (A) The transferor, or the transferor's agent, has actual knowledge that the property is within a very high fire hazard severity zone.
- (B) A map that includes the property has been provided to the local agency pursuant to Section 51178 of the Public Resources Code and a notice has been posted at the offices of the county recorder, county assessor, and county planning agency that identifies the location of the map and any information regarding changes to the map received by the local agency.
- (4) A person who is acting as an agent for a transferor of real property that is located within an earthquake fault zone, designated pursuant to Section 2622 of the Public Resources Code, or the transferor if he or she is acting without an agent, shall disclose to any prospective transferee the fact that the property is located within a delineated earthquake fault zone if either:
- (A) The transferor, or the transferor's agent, has actual knowledge that the property is within a delineated earthquake fault zone.

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(B) A map that includes the property has been provided to the city or county pursuant to Section 2622 of the Public Resources Code and a notice has been posted at the offices of the county recorder, county assessor, and county planning agency that identifies the location of the map and any information regarding changes to the map received by the county.

- (5) A person who is acting as an agent for a transferor of real property that is located within a seismic hazard zone, designated pursuant to Section 2696 of the Public Resources Code, or the transferor if he or she is acting without an agent, shall disclose to any prospective transferee the fact that the property is located within a seismic hazard zone if either:
- (A) The transferor, or the transferor's agent, has actual knowledge that the property is within a seismic hazard zone.
- (B) A map that includes the property has been provided to the city or county pursuant to Section 2696 of the Public Resources Code and a notice has been posted at the offices of the county recorder, county assessor, and county planning agency that identifies the location of the map and any information regarding changes to the map received by the county.
- (6) A transferor of real property that is located within a state responsibility area determined by the board, pursuant to Section 4125 of the Public Resources Code, shall disclose to any prospective transferee the fact that the property is located within a wildland area that may contain substantial forest fire risks and hazards and is subject to the requirements of Section 4291 if either:
- (A) The transferor, or the transferor's agent, has actual knowledge that the property is within a wildland fire zone.
- (B) A map that includes the property has been provided to the city or county pursuant to Section 4125 of the Public Resources Code and a notice has been posted at the offices of the county recorder, county assessor, and county planning agency that identifies the location of the map and any information regarding changes to the map received by the county.
- (d) Any waiver of the requirements of this article is void as against public policy.
- SEC. 2. Section 1103.2 of the Civil Code is amended to read: 1103.2. (a) The disclosures required by this article are set forth in, and shall be made on a copy of, the following Natural Hazard Disclosure Statement:

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1	NATURAL HAZARD DISCLOSURE STATEMENT
2	
3	This statement applies to the following property:
4	
5	The transferor and his or her agent(s) disclose the following information
6	with the knowledge that even though this is not a warranty, prospective trans-
7	ferees may rely on this information in deciding whether and on what terms
8	to purchase the subject property. Transferor hereby authorizes any agent(s)
9	representing any principal(s) in this action to provide a copy of this statement
10	to any person or entity in connection with any actual or anticipated sale of
11	the property.
12	
13 14	The following are representations made by the transferor and his or her
14 15	agent(s) based on their knowledge and maps drawn by the state and federal
15 16	governments. This information is a disclosure and is not intended to be par
17	of any contract between the transferee and the transferor.
18	THIS REAL PROPERTY LIES WITHIN THE FOLLOWING HAZ-
19	ARDOUS AREA(S):
20	THE OUS THEIR(O).
21	A SPECIAL FLOOD HAZARD AREA (Any type Zone "A" or
22	"V") designated by the Federal Emergency Management Agency.
23	
24	Yes No Do not know and
25 26	information not
26	available from local
27	jurisdiction
28	
29	AN AREA OF POTENTIAL FLOODING shown on a dam failure
30	inundation map pursuant to Section 8589.5 of the Government Code
31	
32	Yes No Do not know and
33	information not
34	available from local
35	jurisdiction
36	

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1	A VERY HIGH FIRE HAZARD SEVERITY ZONE pursuant to
2	Section 51178 or 51179 of the Government Code. The owner of this
3	property is subject to the maintenance requirements of Section 51182
4	of the Government Code.
5	
6	Yes No
7	
8	A WILDLAND AREA THAT MAY CONTAIN SUBSTANTIAL
9	FOREST FIRE RISKS AND HAZARDS pursuant to Section 4125
10	of the Public Resources Code. The owner of this property is subject
11	to the maintenance requirements of Section 4291 of the Public
12	Resources Code. Additionally, it is not the state's responsibility to
13	provide fire protection services to any building or structure located
14	within the wildlands unless the Department of Forestry and Fire
15	Protection has entered into a cooperative agreement with a local
16	agency for those purposes pursuant to Section 4142 of the Public
17	Resources Code.
18	
19	Yes No
20	
21	AN EARTHQUAKE FAULT ZONE pursuant to Section 2622 of the
22	Public Resources Code.
23	
24	Yes No
25	190 110
26	A SEISMIC HAZARD ZONE pursuant to Section 2696 of the Public
27	Resources Code.
28	
29	Yes (Landslide Zone) Yes (Liquefaction Zone)
30	No Map not yet released by
31	state
32	
33	THESE HAZARDS MAY LIMIT YOUR ABILITY TO DEVELOP THE
34	REAL PROPERTY, TO OBTAIN INSURANCE, OR TO RECEIVE
35	ASSISTANCE AFTER A DISASTER.
36	

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THE MAPS ON WHICH THESE DISCLOSURES ARE BASED ESTIMATE WHERE NATURAL HAZARDS EXIST. THEY ARE NOT DEFINITIVE INDICATORS OF WHETHER OR NOT A PROPERTY WILL BE AFFECTED BY A NATURAL DISASTER. TRANSFEREE(S) AND TRANSFEROR(S) MAY WISH TO OBTAIN PROFESSIONAL ADVICE REGARDING THOSE HAZARDS AND OTHER HAZARDS THAT MAY AFFECT THE PROPERTY. Transferor represents that the information herein is true and correct to the best of the transferor's knowledge as of the date signed by the transferor. Signature of Transferor _____ Date ____ Agent represents that the information herein is true and correct to the best of the agent's knowledge as of the date signed by the agent. Signature of Agent _____ Date _____ Date _____ Transferee represents that he or she has read and understands this document. Signature of Transferee _____ Date ____

- (b) If an earthquake fault zone, seismic hazard zone, very high fire hazard severity zone, or wildland fire area map or accompanying information is not of sufficient accuracy or scale that a reasonable person can determine if the subject real property is included in a natural hazard area, the transferor or transferor's agent shall mark "Yes" on the Natural Hazard Disclosure Statement. The transferor or transferor's agent may mark "No" on the Natural Hazard Disclosure Statement if he or she attaches a report prepared pursuant to subdivision (c) of Section 1103.4 that verifies the property is not in the hazard zone. Nothing in this subdivision is intended to limit or abridge any existing duty of the transferor or the transferor's agents to exercise reasonable care in making a determination under this subdivision.
- (c) If the Federal Emergency Management Agency has issued a Letter of Map Revision confirming that a property is no longer within a special flood hazard area, then the transferor or transferor's agent may mark "No" on the Natural Hazard

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Disclosure Statement, even if the map has not yet been updated. The transferor or transferor's agent shall attach a copy of the Letter of Map Revision to the disclosure statement.

- (d) If the Federal Emergency Management Agency has issued a Letter of Map Revision confirming that a property is within a special flood hazard area and the location of the letter has been posted pursuant to subdivision (g) of Section 8589.3 of the Government Code, then the transferor or transferor's agent shall mark "Yes" on the Natural Hazard Disclosure Statement, even if the map has not yet been updated. The transferor or transferor's agent shall attach a copy of the Letter of Map Revision to the disclosure statement.
- (e) The disclosure required pursuant to this article may be provided by the transferor and the transferor's agent in the Local Option Real Estate Disclosure Statement described in Section 1102.6a, provided that the Local Option Real Estate Disclosure Statement includes substantially the same information and substantially the same warnings that are required by this section.
- (f) The disclosure required by this article is only a disclosure between the transferor, the transferor's agents, and the transferee, and shall not be used by any other party, including, but not limited to, insurance companies, lenders, or governmental agencies, for any purpose.
- (g) In any transaction in which a transferor has accepted, prior to June 1, 1998, an offer to purchase, the transferor, or his or her agent, shall be deemed to have complied with the requirement of subdivision (a) if the transferor or agent delivers to the prospective transferee a statement that includes substantially the same information and warning as the Natural Hazard Disclosure Statement.
- SEC. 2.1. Section 116.820 of the Code of Civil Procedure is amended to read:
- 116.820. (a) The judgment of a small claims court may be enforced as provided in Title 9 (commencing with Section 680.010) of Part 2 and in Sections 674 and 1174 on the enforcement of judgments of other courts. A judgment of the superior court after a hearing on appeal, and after transfer to the small claims court under subdivision (d) of Section 116.780, may be enforced like other judgments of the small claims court, as provided in Title 9 (commencing with Section 680.010) of Part 2

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1 and in Sections 674 and 1174 on the enforcement of judgments of2 other courts.

- (b) Fees as provided in Sections 26828, 26830, and 26834 of the Government Code shall be charged and collected by the clerk for the issuance of a writ of execution, an order of examination of a judgment debtor, or an abstract of judgment. Those fees, except as provided in subdivision (d) of Section 26830 of the Government Code, shall be deposited in a special account in the county treasury and shall be transmitted monthly to the Controller for deposit in the Trial Court Trust Fund.
- (c) The prevailing party in any action subject to this chapter is entitled to the costs of enforcing the judgment and accrued interest.
- SEC. 2.2. Section 177.5 of the Code of Civil Procedure is amended to read:
- 177.5. (a) A judicial officer shall have the power to impose reasonable money sanctions, not to exceed fifteen hundred dollars (\$1,500), notwithstanding any other provision of law, payable to the eounty court in which the judicial officer is located, for any violation of a lawful court order by a person, done without good cause or substantial justification. This power shall does not apply to advocacy of counsel before the court. For the purposes of this section, the term "person" includes a witness, a party, a party's attorney, or both.
- (b) Sanctions pursuant to this section shall may not be imposed except on notice contained in a party's moving or responding papers; or on the court's own motion, after notice and opportunity to be heard. An order imposing sanctions shall be in writing and shall recite in detail the conduct or circumstances justifying the order.
- (c) Sanctions collected pursuant to this section shall be deposited in a special account in the county treasury and transmitted monthly to the Controller for deposit in the Trial Court Trust Fund.
- SEC. 2.3. Section 1218 of the Code of Civil Procedure is amended to read:
- 1218. (a) Upon the answer and evidence taken, the court or judge shall determine whether the person proceeded against is guilty of the contempt charged, and if it be adjudged that he or she is guilty of the contempt, a fine may be imposed on him or her not exceeding one thousand dollars (\$1,000) payable to the court, or

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he or she may be imprisoned not exceeding five days, or both. In addition, a person who is subject to a court order as a party to the action, or any agent of this person, who is adjudged guilty of contempt for violating that court order may be ordered to pay to the party initiating the contempt proceeding the reasonable attorney's fees and costs incurred by this party in connection with the contempt proceeding. Fines collected pursuant to this subdivision shall be deposited in a special account in the county treasury and transmitted monthly to the Controller for deposit in the Trial Court Trust Fund.

- (b) No party, who is in contempt of a court order or judgment in a dissolution of marriage or legal separation action, shall be permitted to may enforce such an the order or judgment, by way of execution or otherwise, either in the same action or by way of a separate action, against the other party. This restriction shall does not affect nor apply to the enforcement of child or spousal support orders.
- (c) In any court action in which a party is found in contempt of court for failure to comply with a court order pursuant to the Family Code, the court shall order the following:
- (1) Upon a first finding of contempt, the court shall order the contemner to perform community service of up to 120 hours, or to be imprisoned up to 120 hours, for each count of contempt.
- (2) Upon the second finding of contempt, the court shall order the contemner to perform community service of up to 120 hours, in addition to ordering imprisonment of the contemner up to 120 hours, for each count of contempt.
- (3) Upon the third or any subsequent finding of contempt, the court shall order both of the following:
- (A) The court shall order the contemner to serve a term of imprisonment of up to 240 hours, and to perform community service of up to 240 hours, for each count of contempt.
- (B) The court shall order the contemner to pay an administrative fee, not to exceed the actual cost of the contemner's administration and supervision, while assigned to a community service program pursuant to this paragraph.
- (4) The court shall take parties' employment schedules into consideration when ordering either community service or imprisonment, or both.
 - SEC. 3. Section 13001 of the Elections Code is repealed.

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13001. (a) All expenses authorized and necessarily incurred in the preparation for and conduct of elections as provided in this code shall be paid from the county treasuries, except that when an election is called by the governing body of a city the expenses shall be paid from the treasury of the city. All payments shall be made in the same manner as other county or city expenditures are made. The elections official, in providing the materials required by this division, need not utilize the services of the county or city purchasing agent.

- (b) This section shall become operative on January 1, 2005. SEC. 4. Section 713 of the Fish and Game Code is amended to read:
- 713. (a) The changes in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, as published by the United States Department of Commerce, shall be used as the index to determine an annual rate of increase or decrease in the fees for licenses, stamps, permits, and tags, or other entitlements issued by the department, except commercial fishing
- (b) The department shall determine the change in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, as published by the United States Department of Commerce, for the quarter ending March 31 of the current year compared to the quarter ending March 31 of the previous year. The relative amount of the change shall be multiplied by the current fee for each license, stamp, permit, or tag, or other entitlement issued by the department. The product shall be rounded to the nearest twenty-five cents (\$0.25), and the resulting amount shall be added to the fee for the current year. The resulting amount shall be the fee for the license year beginning on or after January 1 of the next succeeding calendar year for the license, stamp, permit, or tag which, or other entitlement that is adjusted under this section.
- (c) Notwithstanding any other provision of law, the department may recalculate the current fees charged for each license, stamp, permit, or tag, or other entitlement issued by the department, except commercial fishing fees, to determine that all appropriate indexing has been included in the current fees. This section shall apply to all licenses, stamps, permits, or tags, except commercial fishing fees, or other entitlements that have not been increased each year since the base year of the 1985–86 fiscal year.

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(d) The calculations provided for in this section shall be reported to the Legislature with the Governor's Budget Bill.

- (e) The Legislature finds that all revenues generated by fees for licenses, stamps, permits, and tags, computed under this section and used for the purposes for which they were imposed, are not subject to Article XIII B of the California Constitution.
- (f) The department shall, at least every five years, analyze all fees for permits, licenses, stamps, and tags issued by it to ensure the appropriate fee amount is charged. Where appropriate, the department shall recommend to the Legislature or the commission that fees established by the commission or the Legislature be adjusted to ensure that those fees are appropriate.
- SEC. 4.5. Section 2536 of the Fish and Game Code is amended to read:
- 2536. (a) It is unlawful for any person to engage in the business of guiding or packing, or to act as a guide for any consideration or compensation whatever, without first having secured a guide license from the department.
- (b) An employee of a licensee who acts as a guide only in connection with, and within the scope of, his or her employment is exempt from the requirement of subdivision (a) if all of the following conditions are met:
- (1) If the employment is subject to and the person is reported to the carrier of the employer's workers' compensation insurance.
- (2) If the person is subject and reported to the state and federal taxing authorities for withholding of income tax.
- (3) If the person is reported to the department, on forms provided by the department, as an employee of the guide prior to any contact with any person being guided, and a ten dollar (\$10) registration fee has been paid. The base fee for an employee guide registration shall be thirty-three dollars (\$33) as adjusted pursuant to Section 713.
- (c) A person who is licensed in another state to provide guide services for the purposes of fishing is exempt from the requirements of subdivision (a) if all of the following conditions are met:
- (1) The state in which the person is licensed grants a similar exemption to licensed guides who are residents of this state.
- (2) Evidence of a valid guide license is provided to the department upon request.

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(3) The person is engaged in the business of guiding only in conjunction with and during the term of a multistate fishing tournament approved by the appropriate agency in each of the affected states.

- (4) The tournament sponsor provides to the department any information or documents necessary to administer and enforce this paragraph, as determined by the department, including, but not limited to, the identities of all guides participating in the tournament, verification of another state's license exemption, and information sufficient to determine the validity of another state's guide licenses.
- (5) The tournament sponsor pays the department an amount, determined by the department, to be sufficient to cover the department's cost to administer and enforce this subdivision.
- (6) The net proceeds of the tournament are used for resource management projects or habitat improvement projects, or both.
- (d) The base fee specified in paragraph (3) of subdivision (b) is established for the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.
- SEC. 5. Section 2540 of the Fish and Game Code is amended to read:
- 2540. (a) The base fee for a guide license, issued to a resident of this state, is forty-five dollars (\$45), as adjusted under Section 713, and the one hundred fifty dollars (\$150), as adjusted pursuant to Section 713.
- (b) The base fee for a license issued to a nonresident is one hundred twenty-five dollars (\$125), as adjusted under Section 713. A three hundred fifty dollars (\$350), as adjusted pursuant to Section 713.
- (c) A guide license is valid for the license year beginning on February 1 and ending on January 31 of the succeeding year or, if issued after the beginning of the license year, for the remainder of that license year.
- (d) The base fee specified in subdivisions (a) and (b) are established for the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.
- 37 SEC. 6. Section 3031 of the Fish and Game Code is amended 38 to read:
- 39 3031. (a) A hunting license, granting the privilege to take 40 birds and mammals, shall be issued to any of the following:

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(1) A resident of this state, 16 years of age or older, upon the payment of a base fee of seventeen dollars (\$17), thirty-one dollars and twenty-five cents (\$31.25) as adjusted under pursuant to Section 713.

- (2) A person under the age of 16 years, upon the payment of a base fee of four dollars (\$4), as adjusted under Section 713 eight dollars and twenty-five cents (\$8.25), as adjusted pursuant to Section 713.
- (3) A person not a resident of this state, 16 years of age or older, upon the payment of a base fee of fifty-nine dollars (\$59) one hundred eight dollars and fifty cents (\$108.50), as adjusted under pursuant to Section 713.
- (4) A person not a resident of this state, 16 years of age or older, valid only for two consecutive days upon payment of a base fee of twenty-five dollars (\$25), as adjusted under the fee set forth in subdivision (a), as adjusted pursuant to Section 713. A license issued pursuant to this paragraph is valid only for taking resident and migratory game birds, resident small game mammals, fur-bearing mammals, and nongame mammals, as defined in this code or in regulations adopted by the commission.
- (5) A person not a resident of this state, valid for one day and only for the taking of domesticated game birds and pheasants while on the premises of a licensed game bird club, or for the taking of domesticated migratory game birds in areas licensed for shooting those birds, upon the payment of a base fee of eight dollars (\$8) fifteen dollars (\$15), as adjusted under pursuant to Section 713.
- (b) The adjustment of the base fees under Section 713, which are specified in paragraphs (1) to (5), inclusive, of subdivision (a), are applicable to the hunting license years beginning on and after July 1, 1988.
- (b) The base fees specified in subdivision (a) are established for the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.
- SEC. 7. Section 4654 of the Fish and Game Code is amended to read:
- 4654. (a) Any resident of this state, 12 years of age or older, who possesses a valid hunting license, may procure the number of wild pig tags corresponding to the number of wild pigs that may legally be taken by one person during the license year upon

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payment of a base fee of one dollar and fifty cents (\$1.50), as adjusted under Section 713-fifteen dollars (\$15) for each wild pig tag, as adjusted pursuant to Section 713.

- (b) Any nonresident, 12 years of age or older, who possesses a valid California nonresident hunting license, may procure the number of wild pig tags corresponding to the number of wild pigs that may legally be taken by one person during the license year upon payment of a base fee of ten dollars (\$10), as adjusted under Section 713, fifty dollars (\$50) for each wild pig tag as adjusted pursuant to Section 713.
- (c) The base fees specified in subdivisions (a) and (b) are established for the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.
- SEC. 8. Section 6596 of the Fish and Game Code is amended to read:
- 6596. (a) In addition to a valid California fishing license issued pursuant to Section 7149 and any other applicable license stamp issued pursuant to this code, a person taking fish from ocean waters south of a line extending due west from Point Arguello for purposes other than for profit shall have permanently affixed to his or her fishing license, except a sport fishing license issued pursuant to paragraph (4) of subdivision (a) of Section 7149, an ocean fishing a sport fishing ocean enhancement stamp. A license sport fishing ocean enhancement stamp issued under this subdivision shall be issued for the following fees:
- (1) A stamp for a sport fishing or sport ocean fishing license, two dollars and fifty cents (\$2.50) upon payment for a base fee of five dollars (\$5), as adjusted pursuant to Section 713. Sportfishing licenses A sport fishing license issued pursuant to paragraph (4) of subdivision (a) of Section 7149—are is not subject to this requirement subdivision.
- (2) A stamp for each single day sport ocean fin fishing license issued pursuant to subdivision (e) of Section 7149, fifty cents (\$0.50). Sportfishing licenses issued pursuant to paragraph (4) of subdivision (a) of Section 7149 are not subject to this requirement.
- (b) In addition to a valid California commercial passenger fishing boat license issued pursuant to Section 7920, the owner of any boat or vessel who, for profit, permits any person to fish therefrom, south of a line extending due west from Point Arguello, shall have a valid commercial ocean fishing ocean enhancement

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stamp issued for that vessel that has not been suspended or revoked.

- (c) Any person who takes, possesses aboard a boat, or lands any white sea bass for commercial purposes, south of a line extending due west from Point Arguello, shall have a valid commercial ocean fishing *ocean* enhancement stamp issued to that person that has not been suspended or revoked.
- (d) The fee for a commercial ocean fishing ocean enhancement stamp is twenty-five dollars (\$25) thirty-five dollars (\$35), as adjusted pursuant to Section 713.
- (e) The base fees specified in subdivisions (a) to (d), inclusive, are established for the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.
- (f) This section does not apply to licenses, permits, reservations, tags, or other entitlements issued through the Automated License Data System.
- SEC. 9. Section 6596.1 of the Fish and Game Code is amended to read:
- 6596.1. (a) In addition to a valid California fishing license issued pursuant to Section 7149.05 and any other applicable license validation issued pursuant to this code, a person taking fish from ocean waters south of a line extending due west from Point Arguello for purposes other than for profit shall have permanently affixed to his or her fishing license, except a sportfishing license issued pursuant to paragraph (4) of subdivision (a) of Section 7149.05, an a sportfishing ocean fishing enhancement validation. A license A sportfishing ocean enhancement validation issued under this subdivision shall be issued for the following fees:
- (1) A validation for a sport fishing or sport ocean fishing license, two dollars and fifty cents (\$2.50) upon payment of a base fee of five dollars (\$5), as adjusted pursuant to Section 713. Sportfishing licenses A license issued pursuant to paragraph (4) of subdivision (a) of Section 7149.05—are is not subject to this requirement.
- (2) A validation for each single day sport ocean fin fishing 36 license issued pursuant to subdivision (c) of Section 7149.05, fifty cents (\$0.50). sportfishing licenses issued pursuant to paragraph (4) of subdivision (a) of Section 7149.05 are not subject to this requirement.

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(b) In addition to a valid California commercial passenger fishing boat license issued pursuant to Section 7920, the owner of any boat or vessel who, for profit, permits any person to fish therefrom, south of a line extending due west from Point Arguello, shall have a valid commercial ocean fishing ocean enhancement validation issued for that vessel that has not been suspended or revoked.

- (c) Any person who takes, possesses aboard a boat, or lands any white sea bass for commercial purposes south of a line extending due west from Point Arguello, shall have a valid commercial ocean fishing ocean enhancement validation issued to that person that has not been suspended or revoked.
- (d) The base fee for a commercial ocean fishing ocean enhancement validation is twenty-five dollars (\$25) thirty-five dollars (\$35), as adjusted pursuant to Section 713.
- (e) The base fees specified in subdivisions (a) to (d), inclusive, are established for the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.
- (f) This section applies only to licenses, permits, reservations, tags, and other entitlements issued through the Automated License Data System.
- SEC. 10. Section 7149 of the Fish and Game Code is amended to read:
- 7149. (a) A sport fishing license granting the privilege to take any fish, reptile, or amphibia anywhere in this state for purposes other than profit shall be issued to any of the following:
- (1) A resident of this state, over the age of 16 years, upon payment during the 1987 2003 calendar year, or, if issued after the beginning of the year 2004, for the remainder thereof, upon payment of a fee of eighteen dollars (\$18), or upon the payment during a calendar year beginning on or after January 1, 1988, of the base fee of sixteen dollars and seventy-five cents (\$16.75), as adjusted under Section 713 a base fee of thirty-one dollars and twenty-five cents (\$31.25), as adjusted pursuant to Section 713.
- (2) A nonresident, over the age of 16 years, for the period of a calendar year, or, if issued after the beginning of the year, for the remainder thereof, upon payment of a base fee of forty-five dollars (\$45), a base fee of eighty-four dollars (\$84), as adjusted under pursuant to Section 713.

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(3) A nonresident, over the age of 16 years for the period of 10 consecutive days beginning on the date specified on the license upon payment of the fee set forth in paragraph (1), as adjusted under pursuant to Section 713.

- (4) A resident or nonresident, over the age of 16 years, for two consecutive designated calendar days, upon payment of the base fee of seven dollars (\$7) a base fee of fifteen dollars (\$15), as adjusted under pursuant to Section 713. Notwithstanding Section 1053, more than one two-day license issued for different two-day periods may be issued to, or possessed by, a person at one time.
- (b) A sport ocean fishing license granting the licensee to take any fish from ocean waters of this state for purposes other than profit shall be issued to a resident of this state, over the age of 16 years, for the period of a calendar year, or if issued after the beginning of the year, for the remainder thereof, upon payment of a base fee of ten dollars (\$10), as adjusted under Section 713.
- (e) A sport ocean finfishing license granting the privilege to take only finfish from the ocean waters of this state for purposes other than profit shall be issued to a person over the age of 16 years for one designated day, upon the payment for a designated day in the license year beginning on January 1 of the base fee of four dollars (\$4), as adjusted under Section 713.
- (d) For the purposes of this section, the adjustment under Section 713 shall be calculated and added to the base fees to establish the fees paid for licenses issued in the license years beginning on and after January 1, 1988, in accordance with Section 713.

(e)

 (b) California sport fishing license stamps shall be issued by authorized license agents in the same manner as sport fishing licenses, and no compensation may be paid to the authorized license agent for issuing the stamps except as provided in Section 1055.

(f)

(c) The base fees specified in paragraphs (1) to (4), inclusive, of subdivision (a) are established for the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.

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(d) This section does not apply to licenses, permits, reservations, tags, or other entitlements issued through the Automated License Data System.

- SEC. 11. Section 7149.05 of the Fish and Game Code is amended to read:
- 7149.05. (a) A sportfishing license granting the privilege to take any fish, reptile, or amphibia anywhere in this state for purposes other than profit shall be issued to any of the following:
- (1) A resident of this state, over the age of 16 years, upon payment during the 1987 2003 calendar year, or, if issued after the beginning of the year 2004, for the remainder thereof, upon payment of a fee of eighteen dollars (\$18), or upon the payment during a calendar year beginning on or after January 1, 1988, of the base fee of sixteen dollars and seventy five cents (\$16.75), as adjusted under Section 713 a base fee of thirty-one dollars and twenty-five cents (\$31.25), as adjusted pursuant to Section 713.
- (2) A nonresident, over the age of 16 years, for the period of a calendar year, or, if issued after the beginning of the year, for the remainder thereof, upon payment of a base fee of forty-five dollars (\$45), eighty-four dollars (\$84), as adjusted under pursuant to Section 713.
- (3) A nonresident, over the age of 16 years for the period of 10 consecutive days beginning on the date specified on the license upon payment of the fee set forth in paragraph (1), as adjusted under pursuant to Section 713.
- (4) A resident or nonresident, over the age of 16 years, for one designated day, upon payment of the *a* base fee of seven dollars (\$7) fifteen dollars (\$15), as adjusted under pursuant to Section 713. Notwithstanding Section 1053, more than one single day license issued for different days may be issued to, or possessed by, a person at one time.
- (b) A sport ocean fishing license granting the privilege to take any fish from ocean waters of this state for purposes other than profit shall be issued to a resident of this state, over the age of 16 years, for the period of one calendar year, or if issued after the beginning of the year, for the remainder thereof, upon payment of a base fee of ten dollars (\$10), as adjusted under Section 713.
- (c) A sport ocean fin fishing license granting the privilege to take only finfish from the ocean waters of this state for purposes other than profit shall be issued to a person over the age of 16 years

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for one designated day, upon the payment for a designated day in the license year beginning on January 1 of the base fee of four dollars (\$4), as adjusted under Section 713.

(d) For the purposes of this section, the adjustment under Section 713 shall be calculated and added to the base fees to establish the fees paid for licenses issued in the license years beginning on and after January 1, 1988, in accordance with Section 713.

(e)

(b) California sportfishing license validations shall be issued by authorized license agents in the same manner as sportfishing licenses, and no compensation shall be paid to the authorized license agent for issuing the validations except as provided in Section 1055.1.

(f)

- (c) The base fees specified in paragraphs (1) to (4), inclusive, of subdivision (a) are established for the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.
- (d) This section applies only to licenses, permits, reservations, tags, and other entitlements issued through the Automated License Data System.
- (g) This section shall become operative on January 1, 2002. SEC. 12. Section 7149.1 of the Fish and Game Code is repealed.
- 7149.1. (a) A person holding a valid resident sport ocean fishing license issued under subdivision (b) of Section 7149 may upgrade this license to an annual resident sportfishing license, as described in paragraph (1) of subdivision (a) of Section 7149, by obtaining a resident sportfishing license upgrade stamp.
- (b) The department or an authorized license agent shall issue a resident sportfishing license upgrade stamp upon payment of the fee for that stamp. The upgrade stamp fee shall be equal to the difference in the fee determined pursuant to paragraph (1) of subdivision (a) of Section 7149 and the fee determined under subdivision (b) of Section 7149.
- 37 (c) This section does not apply to licenses, permits, 38 reservations, tags, or other entitlements issued through the 39 Automated License Data System.

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SEC. 13. Section 7149.15 of the Fish and Game Code is repealed.

7149.15. (a) A person holding a valid resident sport ocean fishing license issued under subdivision (b) of Section 7149.05 may upgrade this license to an annual resident sportfishing license, as described in paragraph (1) of subdivision (a) of Section 7149.05, by obtaining a resident sportfishing license upgrade validation.

- (b) The department or an authorized license agent shall issue a resident sportfishing license upgrade validation upon payment of the fee for that validation. The upgrade validation fee shall be equal to the difference in the fee determined pursuant to paragraph (1) of subdivision (a) of Section 7149.05 and the fee determined under subdivision (b) of Section 7149.05.
- (e) This section applies only to licenses, permits, reservations, 16 tags, and other entitlements issued through the Automated License Data System.
 - SEC. 14. Section 7149.8 of the Fish and Game Code is amended to read:
 - 7149.8. (a) It is unlawful for any person to take abalone from ocean waters without first obtaining, in addition to a valid California sportfishing license and any applicable license validation issued pursuant to Section 7149 or 7149.05, and Sections 7150 and 7151, an abalone report card and having that report card in his or her possession while taking abalone.

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- (b) The department or an authorized license agent shall issue an abalone report card upon payment of a base fee of twelve dollars (\$12) fifteen dollars (\$15), as adjusted pursuant to Section 713.
- (c) The base fee specified in subdivision (b) is established for the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.
- The heading of Article 4 (commencing with Section 7360) of Chapter 2 of Part 2 of Division 6 of the Fish and Game Code is amended to read:

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Article 4. Striped Bass-Bay-Delta Sport Fishing

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Section 7360 of the Fish and Game Code is amended SEC. 16. 40 to read:

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(a) It is unlawful for any person to take striped bass in any sport fishery fish in the San Francisco Bay and Delta without first obtaining, in addition to a valid California sportfishing license and any applicable stamp issued pursuant to Section 7149, a striped bass Bay-Delta Sport Fishing Enhancement stamp and having that stamp affixed to his or her valid sportfishing license.

- (b) (1) The department or an authorized license agent shall issue a-striped bass Bay-Delta Sport Fishing Enhancement stamp upon payment of a base fee of three dollars and fifty cents (\$3.50) five dollars (\$5), as adjusted pursuant to Section 713.
- (2) The base fee specified in paragraph (1) is established for the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.
- (c) This section does not apply to licenses, permits, reservations, tags, or other entitlements issued through the Automated License Data System.
- SEC. 17. Section 7360.1 of the Fish and Game Code is amended to read:
- 7360.1. (a) It is unlawful for any person to take striped bass sport fish in any sport fishery the Bay-Delta without first obtaining, in addition to a valid California sportfishing license and any applicable validation issued pursuant to Section 7149.05, Bay-Delta Sport Fishing Enhancement a striped bass validation and having that validation affixed to his or her valid sportfishing license.
- (b) (1) The department or an authorized license agent shall issue a striped bass Bay-Delta Sport Fishing Enhancement validation upon payment of a fee of three dollars and fifty cents (\$3.50) five dollars (\$5) for the year 2004, and for each year following 2004, upon payment of a base fee of five dollars (\$5), as adjusted pursuant to Section 713.
- (2) The base fee specified in paragraph (1) is established for the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.
- (c) This section applies only to licenses, permits, reservations, 36 tags, and other entitlements issued through the Automated License Data System.
- 38 SEC. 18. Section 7361 of the Fish and Game Code is amended 39 to read:

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1 Fees received by the department pursuant to Sections 2 7360 and 7360.1 shall be deposited in a separate account in the Fish and Game Preservation Fund. The department shall expend the funds in that account-solely to increase the abundance of striped bass monitor, manage, and enhance Bay-Delta sport fish and sport 5 fishing consistent with state and federal Endangered Species Act requirements, by producing striped bass and restoring their aquatic habitat, with the goal of restoring a self-sustaining, naturally 9 reproducing Bay-Delta striped bass population, consistent with the striped bass policy goals established by the commission; and 10 11 to fund any other recommendations made by the Striped Bass Stamp Fund Advisory Committee appointed pursuant to Section 12 13 7362. Funds received pursuant to Sections 7360 and 7360.1 may 14 not be used for striped bass production and restoration in lieu of annual funding from the sale of fishing licenses, from the Federal 15 Aid in Sport Fish Restoration Act (16 U.S.C. Sees. 777 to 7771, 16 inclusive) revenues, or from an appropriation by any statute in 17 existence on January 1, 1998 and applicable Fish and Game 19 Commission policies. 20

SEC. 19. Section 7362 of the Fish and Game Code is amended to read:

7362. (a) The director shall appoint a Striped Bass Bay-Delta Sport Fish Enhancement Stamp Fund Advisory Committee, consisting of nine members. The members of the committee shall be selected from names of persons submitted by striped bass Bay-Delta anglers and associations representing striped bass anglers of this state the Bay-Delta and shall serve at the discretion of the director. The director shall appoint persons to the committee who possess experience in subjects with specific value to the committee and shall attempt to balance the perspective of different groups of persons.

(b) The advisory committee shall annually recommend to the department projects and budgets for the expenditure of revenue received pursuant to Sections 7360 and 7360.1. The department shall give full and complete consideration to the committee's recommendations. In submitting recommendations for the Governor's Budget, the department may recommend programs for funding that are not contained in the committee's recommendation, except that all revenue raised pursuant to Sections 7360 and 7360.1 shall be spent in accordance with

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Section 7361. The department shall notify the committee prior to placing funding provisions in the budget. The department shall submit to the committee an annual accounting of funds derived from striped bass Bay-Delta Sport Fish Enhancement stamps, including the number of stamps sold, funds generated and expended, and a status report of programs funded pursuant to this article.

SEC. 20. Section 7363 of the Fish and Game Code is amended to read:

7363. This article shall remain in effect only until January 1, 2004 2015, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2004 2015, deletes or extends that date.

SEC. 21. Section 7380 of the Fish and Game Code is amended to read:

7380. (a) In addition to a valid California sportfishing license issued pursuant to Section 7149 or 7149.05 and any applicable sport license stamp issued pursuant to this code, after January 1, 1993, a person taking steelhead trout in inland waters shall have in his or her possession a nontransferable steelhead trout catch report-restoration card issued by the department. The cardholder shall record certain fishing information on the card as designated by the department. The information shall immediately be recorded whenever the cardholder finishes fishing for the day, moves to another river or stream, or retains steelhead trout. The cardholder shall return the card to the department on a schedule or date established by the department.

- (\$3) five dollars (\$5), as adjusted pursuant to Section 713. The funds received by the department from the sale of the card shall be deposited in the Fish and Game Preservation Fund and shall be available for expenditure upon appropriation by the Legislature. The department shall maintain the internal accountability necessary to ensure that all restrictions and requirements pertaining to the expenditure of these funds are met.
- (2) The base fee specified in paragraph (1) is established for the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.
- 39 (c) The commission shall adopt regulations necessary to 40 implement this section. These regulations shall include, but not be

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limited to, procedures necessary to obtain appropriate steelhead trout resources management information, a requirement that the card contain a statement explaining potential uses of the funds received as authorized by Section 7381, and a requirement that the cards be returned to the department.

SEC. 22. Section 7852 of the Fish and Game Code is amended to read:

- 7852. (a) Except as provided in subdivision (a) of Section 7852.3, the The department shall issue a commercial fishing license to any resident who is 16 years of age or more for a upon payment of a base fee of fifty dollars (\$50) ninety-five dollars (\$95), as adjusted pursuant to Section 713, for each resident vessel crewmember or resident vessel operator.
- (b) The department shall issue a commercial fishing license for a fee of ninety dollars (\$90) for each resident vessel operator. Any person who has a valid license issued pursuant to this subdivision that has not been suspended or revoked may also serve as a vessel erewmember. Unless all persons are licensed as nonresident operators or crewmembers pursuant to subdivision (c), at least one person aboard each commercial fishing vessel during any fishing operation shall have a commercial fishing license issued pursuant to this subdivision that has not been suspended or revoked.
- (e) The department shall issue a commercial fishing license for a to any nonresident who is 16 years of age or more fee of one hundred fifty dollars (\$150) two hundred eighty-five dollars (\$285), as adjusted pursuant to Section 713, for a nonresident vessel crewmember or nonresident vessel operator.
- (c) The base fees specified in subdivisions (a) and (b) are established for the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.
- (d) Nothing in this section affects any other provision of law relating to the employment of minors.
- SEC. 23. Section 7852.21 of the Fish and Game Code is repealed.
- 7852.21. (a) Any person that has a valid resident erewmember commercial fishing license issued under subdivision (a) of Section 7852 that has not been suspended or revoked may upgrade that license to a resident operator commercial fishing license, as described in subdivision (b) of Section 7852, by obtaining a resident commercial fishing license upgrade stamp.

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(b) The department shall issue a resident commercial fishing license upgrade stamp upon payment of the fee for that stamp. The upgrade stamp fee shall be equal to the difference in the fee for the resident operator commercial fishing license issued pursuant to subdivision (a) of Section 7852 and the fee for the resident erewmember commercial fishing license issued pursuant to subdivision (b) of Section 7852.

- (c) This section shall become operative on April 1, 1997.
- 9 SEC. 24. Section 7852.3 of the Fish and Game Code is 10 repealed.
 - 7852.3. (a) The department shall issue a commercial fishing license to a person who is 16 years of age or more but less than 18 years of age and who is actively assisting in fishing activities for a fee of thirty-five dollars (\$35).
 - (b) Nothing in this section affects other provisions of law relating to employment of minors.
 - SEC. 25. Section 7881 of the Fish and Game Code is amended to read:
 - 7881. (a) Every person who owns or operates a vessel in public waters in connection with fishing operations for profit in this state, or who brings fish into this state, or who, for profit, permits persons to fish therefrom, shall submit an application for commercial boat registration on forms provided by the department and shall be issued a registration number.
 - (b) Upon payment of a fee of two hundred dollars (\$200) by the resident owner or operator of the vessel, the department shall issue a commercial boat registration. The commercial boat registration shall be carried aboard the vessel at all times and posted in a conspicuous place.
 - (c) Upon payment of a fee of four hundred dollars (\$400) by the nonresident owner or operator of the vessel, the department shall issue a commercial boat registration. The commercial boat registration shall be carried aboard the vessel at all times and posted in a conspicuous place.
 - (b) A commercial boat registration may be issued to any resident owner or operator of a vessel upon payment of a base fee of two hundred fifty dollars (\$250), as adjusted pursuant to Section 713. The commercial boat registration shall be carried aboard the vessel at all times and posted in a conspicuous place.

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(c) A commercial boat registration may be issued to any nonresident owner or operator of a vessel upon payment of a base fee of seven hundred fifty dollars (\$750), as adjusted pursuant to Section 713. The commercial boat registration shall be carried aboard the vessel at all times and posted in a conspicuous place.

- (d) If a registered vessel is lost, destroyed, or sold, the owner of the vessel shall immediately report the loss, destruction, or sale to the department.
- (e) This section does not apply to any person required to be licensed as a guide pursuant to Section 2536.
- (f) The base fee specified in subdivisions (b) and (c) is established in the 2004 license year and shall be adjusted, pursuant to Section 713, each subsequent year.
- SEC. 26. Section 7921 of the Fish and Game Code is amended to read:
- 7921. (a) The base fee for a commercial passenger fishing boat license is two hundred fifty dollars (\$200) (\$250), as adjusted pursuant to Section 713, and the commercial passenger fishing boat vessel license shall be issued to the holder of a commercial boat registration issued pursuant to Section 7881.
- (b) The base fee specified in subdivision (a) is established in the 2004 license year and shall be adjusted, pursuant to Section 713, in each subsequent year.
- SEC. 27. Section 7921.5 of the Fish and Game Code is repealed.
- 7921.5. (a) Notwithstanding Section 7921 and except as provided in Section 7921.1, the fee for a license for a vessel, the owner or operator of which has acquired a stamp pursuant to Section 7860, shall be one hundred fifty dollars (\$150).
 - (b) This section shall become operative on April 1, 1995.
- SEC. 28. Section 11502.5 of the Food and Agricultural Code is amended to read:
- 11502.5. (a) The director may adopt regulations to establish the minimum requirements of education, continuing education, training, experience, and examination for applicants for any license or certificate, or renewal of any license or certificate, issued by the director pursuant to this division or Division 7 (commencing with Section 12500). The director shall not renew a license or certificate if the person who was issued the license or

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certificate did not complete the required continuing education during the period of validity of the license or certificate, and the person must take and pass the examination to be again issued such a license or certificate.

- (b) The director shall establish by regulation fees for the Department of Pesticide Regulation's licensing and certification programs as established pursuant to this division or Division 7 (commencing with Section 12500). These programs include, but are not limited to:
- (1) License and certificate examination, application, and renewal program.
- (2) Approval of continuing education courses and continuing education course providers.
- (3) Changes on any license or certificate, including, but not limited to, name or address changes, license or certificate replacement costs, duplicate copy of a license or certificate, and changes in qualified person, bond, insurance, or registered officers.
- (4) Penalties for late payment of licensing and certification fees.
- (c) The fees established pursuant to this section may include administrative costs, including overhead costs.
- (d) The regulations shall provide that the examination fee may be charged to applicants who request the director to reschedule an examination due to the applicant's failure to obtain a passing score or failure to appear for the scheduled examination, and for scheduling an examination to amend a license.
- (e) The fees established pursuant to this section shall be set so that the total revenue collected each fiscal year is sufficient to support the expenditure levels for these programs contained in the annual Budget Act. If the director determines that the revenue collected during the preceding year was greater than, or less than, the expenditure levels for these programs set forth in the Budget Act, the director may further adjust the current fees to compensate for the overcollection or undercollection.
- (f) Funds collected pursuant to this section shall be deposited in the Department of Pesticide Regulation Fund, and shall be available for expenditure by the department, upon appropriation, for the purposes of carrying out the programs established pursuant to this division or Division 7 (commencing with Section 12500).

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1 (g) The regulations adopted pursuant to this section, or any 2 amendment thereto, shall be adopted by the director in accordance 3 with Chapter 3.5 (commencing with Section 11340) of Part 1 of 4 Division 3 of Title 2 of the Government Code. The adoption of these 5 regulations shall be considered by the Office of Administrative 6 Law as an emergency, and necessary for the immediate 7 preservation of the public peace, health, safety, and general 8 welfare. Notwithstanding any other provision of law, the 9 emergency regulations adopted pursuant to this section shall 10 remain in effect until amended by the director.

SEC. 29. Section 11515 of the Food and Agricultural Code is repealed.

11515. (a) The director may, by regulation, establish reasonable fees based on recommendations of the Agricultural Pest Control Advisory Committee to cover the costs of administering any written examination administered pursuant to this division or Division 7 (commencing with Section 12501). The fees shall not exceed fifteen dollars (\$15) per examination.

- (b) The regulations shall provide that the examination fee may be charged to applicants who require the director to reschedule an examination due to the applicant's failure to obtain a passing score or failure to appear for the scheduled examination, and for scheduling an examination to amend a license.
- (e) The original application fee shall allow the applicant to take the laws and regulations examination and one additional category applied for in the original application in accordance with the director's examination schedule.
- SEC. 30. Section 11516 of the Food and Agricultural Code is repealed.
- 11516. The director may establish reasonable fees, not to exceed twenty dollars (\$20), to cover the cost of name or address changes on any license or certificate issued pursuant to this division or Division 7 (commencing with Section 12501).
- SEC. 31. Section 11703 of the Food and Agricultural Code is amended to read:
- 11703. (a) Except as otherwise provided in Sections 11704 and 11707, the application shall be accompanied by a fee of one hundred dollars (\$100) as prescribed by the director pursuant to Section 11502.5.

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(b) If the applicant maintains any branch office in this state or outside this state and the applicant engages in the pest control business in this state from that branch office, the applicant shall pay an additional fee of fifty dollars (\$50) as prescribed by the director pursuant to Section 11502.5 for each of these branch offices.

- SEC. 32. Section 11704 of the Food and Agricultural Code is amended to read:
- 11704. (a) A person who is regularly engaged in the business of maintenance gardening and who desires to engage in pest control for hire incidental to that business shall qualify for a pest control business license in the maintenance gardener category by passing the certified commercial applicators examination in both the laws and regulation and the landscape maintenance categories.
- (b) The maintenance gardener category shall be limited to pest control in ornamental and turf plantings indoors, in commercial parks, or surrounding structures. A contract or verification that the pest control operation is incidental and that maintenance gardening is the primary purpose shall be immediately submitted to the commissioner or director upon request.
- (c) An application for a license limited to the maintenance gardener category shall be accompanied by a fee of fifty dollars (\$50) as prescribed by the director pursuant to Section 11502.5.
- SEC. 33. Section 11707 of the Food and Agricultural Code is amended to read:
- 11707. To any fee which is not paid by the date of expiration, there shall be added a penalty of ten dollars (\$10) as prescribed by the director pursuant to Section 11502.5.
- SEC. 34. Section 11903 of the Food and Agricultural Code is amended to read:
- 11903. A fee of thirty dollars (\$30) as prescribed by the director pursuant to Section 11502.5 shall accompany each application for an initial certificate.
- SEC. 35. Section 11904 of the Food and Agricultural Code is amended to read:
- 11904. Every certificate shall expire on December 31 of the year for which it is issued. Certificates may be renewed before the expiration date by application to the director and upon payment of a fee of twenty-five dollars (\$25) as prescribed by the director pursuant to Section 11502.5. A penalty fee of ten dollars (\$10) as

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1 prescribed by the director pursuant to Section 11502.5 shall be 2 paid by an applicant who applies for renewal after the expiration 3 date.

4 *SEC.* 36. Section 12021 of the Food and Agricultural Code is 5 amended to read:

12021. An application for an agricultural pest control adviser license shall be in the form prescribed by the director. Each application shall state the name and address of the applicant specified on the application and any other information required by the director. The application shall be accompanied by a fee of fifty dollars (\$50) as prescribed by the director pursuant to Section 11502.5 to be paid into the State Treasury to the credit of the Department of Pesticide Regulation Fund. All licenses issued under this article shall expire on December 31 of the year for which they are issued. Licenses may be renewed annually by the date of expiration through application in the form prescribed by the director and upon payment of a fee of forty dollars (\$40) as prescribed by the director pursuant to Section 11502.5. A penalty of ten dollars (\$10) as prescribed by the director pursuant to Section 11502.5 shall be assessed against any applicant who applies for a renewal of the license after the expiration date.

SEC. 37. Section 12103 of the Food and Agricultural Code is amended to read:

12103. An application for a license shall be in the form prescribed by the director. Each application shall state the name and address of the applicant specified on the application and any other information required by the director. The application shall be accompanied by a fee of one hundred dollars (\$100) as prescribed by the director pursuant to Section 11502.5 to be paid into the State Treasury to the credit of the Department of Pesticide Regulation Fund. All licenses issued under this article shall expire on December 31 of the year for which they are issued.

To the amount of the license fee shall be added, as an additional license fee, fifty dollars (\$50) in an amount prescribed by the director pursuant to Section 11502.5, for each branch salesyard, store, or sales location that is owned and operated by the applicant in the this state or in other states when doing business from that out-of-state location regarding pesticides to be sold or delivered into or within the this state.

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SEC. 38. Section 12104 of the Food and Agricultural Code is amended to read:

12104. The license for a pest control dealer may be renewed annually upon application in the form prescribed by the director, accompanied by a fee of one hundred dollars (\$100) as prescribed by the director pursuant to Section 11502.5, for each license and fifty dollars (\$50) for each branch salesyard, store, or sales location that does business in the state, or that does business in this state from an out-of-state location as specified in Section 12103, by the date of expiration. These fees shall be paid into the State 10 Treasury to the credit of the Department of Pesticide Regulation Fund.

- SEC. 39. Section 12105 of the Food and Agricultural Code is amended to read:
- 12105. A penalty of ten dollars (\$10) as prescribed by the director pursuant to Section 11502.5 shall be added to any fee which that is not paid by the date of expiration.
- SEC. 40. Section 12201 of the Food and Agricultural Code is amended to read:
- 12201. An application for a qualified applicator license shall be in a form prescribed by the director. Each application shall state the name and address of the applicant specified on the application and any other information required by the director. The application shall be accompanied by a fee of forty dollars (\$40). These fees shall be paid into the State Treasury to the credit of the Department of Pesticide Regulation Fund as prescribed by the director pursuant to Section 11502.5.
- SEC. 41. Section 12202 of the Food and Agricultural Code is amended to read:
- 12202. (a) All licenses issued pursuant to this chapter expire on December 31 of the year for which they are issued. Licenses may be renewed annually by the date of expiration through application in a form prescribed by the director and upon payment of a fee of thirty dollars (\$30) as prescribed by the director pursuant to Section 11502.5.
- (b) A penalty of ten dollars (\$10) as prescribed by the director pursuant to Section 11502.5 shall be assessed against any applicant who applies for renewal after the expiration date.
- 39 SEC. 42. Section 12252 of the Food and Agricultural Code is 40 amended to read:

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12252. (a) An application for a pest control dealer designated agent license shall be in the form prescribed by the director. Each application shall state the name and address of the applicant specified on the application and any other information required by the director. The application shall be accompanied by a fee of fifteen dollars (\$15). These fees shall be paid into the State Treasury to the credit of the Department of Pesticide Regulation Fund as prescribed by the director pursuant to Section 11502.5.

- (b) All licenses issued pursuant to this article shall expire on December 31 of the year for which they are issued.
- (c) Licenses may be renewed annually upon application in the form prescribed by the director and upon payment of a fee of fifteen dollars (\$15) as prescribed by the director pursuant to Section 11502.5. A penalty of ten dollars (\$10) as prescribed by the director pursuant to Section 11502.5 shall be added to any license renewal fee that is not paid by the date of expiration of the previously issued license.
- SEC. 43. Section 12401 of the Food and Agricultural Code is amended to read:
- 12401. (a) An application for a pesticide broker license, or renewal of a license, shall be in the form prescribed by the director. Each application for a license, or license renewal, shall state the name and address of the applicant, and any other information specified on the application or required by the director, and be accompanied by a fee of one hundred dollars (\$100) as prescribed by the director pursuant to Section 11502.5.
- (b) An additional license fee, or license renewal fee, of fifty dollars (\$50) as prescribed by the director pursuant to Section 11502.5 shall be paid for each branch location, whether within or outside of this state, of the applicant that sells or distributes into or within the state any pesticide products that are labeled for agricultural use.
- SEC. 44. Section 12404 of the Food and Agricultural Code is amended to read:
- 12404. A penalty of twenty-five dollars (\$25) as prescribed by the director pursuant to Section 11502.5 shall be added to any license renewal fee that is not paid by the date of expiration of a previously issued license or license renewal.
- 39 SEC. 45. Section 12841 of the Food and Agricultural Code is 40 amended to read:

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12841. (a) It is unlawful for any person to sell for use in this state any pesticide products that have been registered by the director for which the mill assessment established by this article, and the regulations adopted pursuant to it, is not paid at the times specified in Section 12843.

- (b) Except as provided in subdivision (d), every person who sells for use in this state a pesticide product that has been registered by the director shall pay to the director the applicable assessment. Those sales expressly include all sales made electronically, telephonically, or by any other means that result in a pesticide product being shipped to or used in this state. There is a rebuttable presumption that pesticide products that are sold or distributed into or within this state by any person are sold or distributed for use in this state.
- (c) (1) Upon application of any registrant, the director shall determine whether a fertilizer or paper product is used as a carrier for a pesticide, and is sold in combination, and whether the mill assessment under this article shall be on the pesticide value only, when the product is designed, developed, and manufactured, and sold primarily for other than a pesticide use. If the director finds that the combination product has such a major component and is designed, developed, manufactured, and sold primarily for other than a pesticide use, the assessment provided by this article shall be paid on the equivalent percentage of the sales price of the active ingredients of the pesticide product. The director shall establish this percentage of the sales price. The percentage shall be the ratio of that portion of the sales price attributable to the pesticide portion to the total sales price of the combination product.
- (2) For purposes of this section, "active ingredient" means any active ingredient that is required to be stated on the label on any registered pesticide under Section 12883.
- (d) Assessments provided for in this article for sales of registered pesticides that are sold for use in this state shall be paid by the registrant except as follows:
- (1) In those cases where the registrant did not first sell the pesticide into or within this state or have actual knowledge, at the time of its sale, that the pesticide would be sold for use in this state, the assessment shall be paid by the licensed pesticide broker, licensed pest control dealer, or other person who first sold the pesticide for use in this state.

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 (2) No person is required to pay an assessment on registered products that are labeled only for use in further manufacturing or formulating of pesticides.

- (e) It has been and continues to be the intent of the Legislature that this division requires the department to register all pesticides prior to their sale for use in this state and, except as otherwise provided by law, requires the department to regulate and control the use of pesticides in accordance with this division. Except as provided in Section 12841.1, the department shall continue to collect the assessment as provided in this article at the same rate on all registered agricultural and registered nonagricultural pesticides.
- (f) (1) Except as provided in paragraph (2), the *The* mill assessment shall be paid at the following rates per dollar of sales for all sales of pesticides for use in this state:
- (A) From January 1, 1998, to March 31, 1999, inclusive, the rate shall be 15.15 mills (\$0.01515) plus any additional assessment authorized by Section 12841.1.
- (B) From April 1, 1999, to December 31, 2002, inclusive, the rate shall be 17.5 mills (\$0.0175) plus any additional assessment authorized by Section 12841.1.
- (C) From January 1, 2003, to through June 30, 2004 2003, inclusive the rate shall be 17.5 mills (\$0.0175).
- (D) Effective July 1, 2004, and thereafter, the rate shall be 9 mills (\$0.009) For all transactions on or after July 1, 2003, the actual rate shall be that set by regulations adopted by the director at a rate adequate to support the department's annual expenditures authorized in the annual Budget Act and provide a prudent reserve. The rate set by the director shall be no greater than 27 mills (\$0.027). However, if regulations are not adopted before a payment is due, payment shall be made at the rate of 17.5 mills, and, upon adoption of regulations, payment of any additional amount due shall be made.
- (2) In order to avoid the accumulation of unneeded revenues, the director shall, by the adoption of an emergency regulation pursuant to subdivision (h), set the mill assessment rate lower than the rate established in subparagraphs (A), (B), and (C) of paragraph (1) if the director determines that program needs are adequately met and that revenues collected would result in a prudent reserve in the Department of Pesticide Regulation Fund by

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the end of the 2001–02 fiscal year greater than two million five 2 hundred thousand dollars (\$2,500,000). In no case shall the lower 3 mill rate result in revenues that are less than the revenues that the 4 rate established in subparagraphs (A) and (B) of paragraph (1) would generate if each mill was valued at one million four hundred 5 eighty-two thousand dollars (\$1,482,000). The emergency 6 regulations adopted pursuant to this section, or any amendment thereto, shall be adopted by the director in accordance with 9 Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these 10 11 regulations shall be considered by the Office of Administrative Law as an emergency, and necessary for the immediate 12 13 preservation of the public peace, health, safety, and general 14 welfare. Notwithstanding any other provision of law, the emergency regulations adopted pursuant to this section shall 15 remain in effect until amended by the director. The director shall 16 17 make available to the public, upon the adoption of an emergency regulation establishing a new rate, the information upon which the 19 director has calculated, based, or determined the new rate. 20

- (g) The revenue collected from the mill assessment *rate* established pursuant to this section shall be deposited in the Department of Pesticide Regulation Fund, except as specified in Section 12841.1, and distributed as follows:
- (1) Notwithstanding Sections 2282 and 12784, the director shall pay, in accordance with the criteria set forth in Section 12844, the following amounts to the counties as reimbursement for costs incurred by the counties in the administration and enforcement of Division 6 (commencing with Section 11401), this chapter, Chapter 3 (commencing with Section 14001), Chapter 3.4 (commencing with Section 14090), and Chapter 3.5 (commencing with Section 14101):
- (A) From January 1, 1998, to March 31, 1998, inclusive, five-eighths of the money received during that period pursuant to this section.
- (B) Beginning April 1, 1998, and thereafter, an amount equal to the revenue derived from 6 mills (\$0.006) per dollar of sales for all pesticide sales for use in this state.
- 38 (2) All funds not otherwise distributed pursuant to this 39 subdivision shall remain in the Department of Pesticide

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Regulation Fund and shall be available for expenditure, upon appropriation, to support the department's operations.

(h) Any change to the mill assessment rate established pursuant to subparagraphs (A) and (B) of paragraph (1) of subdivision (f) shall be made by the adoption of an emergency regulation and shall be determined by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Thereafter, the regulations shall be adopted pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code and shall remain in effect for no more than four consecutive quarters. The director shall make available to the public, at least 60 days prior to the adoption of an emergency regulation establishing a new rate, the information upon which the director has calculated the new rate. SEC. 46. Section 12841.1 of the Food and Agricultural Code is amended to read:

12841.1. (a) Between January 1, 1998, and July 1, 2004, the The director may collect an assessment, in addition to the mill assessment collected pursuant to Section 12841, for all pesticide sales for use in this state except for sales for use in this state of those nonagricultural pesticides labeled only solely for home, industrial, or institutional use. The director may only collect up to an additional three-fourths mill (\$0.00075) per dollar of sales, as part of in addition to the rate established pursuant to Section 12841, if necessary to fund, or augment the funding for, an appropriation to the Department of Food and Agriculture to provide pesticide consultation to the department pursuant to Section 11454.2. The necessity of this additional assessment shall be determined by the Secretary of Food and Agriculture, in consultation with the director, on an annual basis after consideration of all other revenue sources, including any reserves, which may be appropriated for this purpose. The secretary's written determination, including a request for a specified additional assessment and the basis for that request, shall be provided to the department in director by a time and in a manner prescribed by the director to fulfill the requirements of Section 12841, and shall be made available to the public pursuant to the requirements of subparagraph (B) of paragraph (1) of subdivision (f) of Section 12841.

(b) The revenue collected pursuant to this section shall be deposited monthly in a separate account in the Department of Food

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and Agriculture Fund. These revenues shall be expended only by 2 the Department of Food and Agriculture, upon appropriation, to 3 provide consultation to the department pursuant to Section 4 11454.2. No funds may be expended prior to the execution of a memorandum of understanding pursuant to subdivision (b) of 5 6 Section 11454.2. The consultation activities to be undertaken by the Department of Food and Agriculture are limited solely to those specifically authorized in the memorandum of understanding 9 executed pursuant to Section 11454.2. These funds may not be 10 expended for scientific risk assessment activities. The department 11 shall be reimbursed from the Department of Food and Agriculture Fund for the department's revenue collection activities. If the 12 13 director determines that a person is entitled to a refund of mill 14 assessment funds that were collected pursuant to this section, the director shall inform the Secretary of Food and Agriculture of the 15 amount of the refund due, which shall be reimbursed from the 16 17 Department of Food and Agriculture Fund. 18

(e) This section shall remain in effect only until July 1, 2004, and as of that date is repealed, unless a later enacted statute, that is enacted before July 1, 2004, deletes or extends that date.

SEC. 47. Section 14152 of the Food and Agricultural Code is amended to read:

14152. An application for a qualified applicator certificate shall be in a form prescribed by the director. Each application shall state the name and address of the applicant specified on the application and any other information required by the director. The application shall be accompanied by a fee of twenty-five dollars (\$25) as prescribed by the director pursuant to Section 11502.5. All certificates issued under this chapter shall expire on December 31 of the year for which they are issued. Certificates may be renewed annually by the date of expiration by application in the form prescribed by the director and upon payment of fifteen dollars (\$15) a fee as prescribed by the director pursuant to Section 11502.5. A penalty-of ten dollars (\$10) shall be assessed against any applicant who applies for renewal after the expiration date as prescribed by the director pursuant to Section 11502.5. These funds shall be deposited in the State Treasury to the credit of the Department of Pesticide Regulation Fund.

39 SEC. 48. Section 5924 of the Government Code is amended to 40 read:

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1 Notwithstanding Section 13340, there is hereby continuously appropriated without regard to fiscal years, from the 2 General Fund in the State Treasury for the purpose of this chapter, an amount that will equal the sum annually as will be necessary to 5 pay all obligations, including principal, interest, fees, costs, indemnities, and all other amounts, incurred by the state under or in connection with any credit enhancement or liquidity agreement (including in the form of a letter of credit, standby purchase 9 agreement, reimbursement agreement, liquidity facility, or other similar arrangement) entered into by the state pursuant to this 10 11 chapter for bonds payable pursuant to an appropriation from the 12 General Fund. Fees, costs, and other similar expenses may be 13 incurred by the state under or in connection with any credit 14 enhancement or liquidity agreement entered into by the state pursuant to this chapter if the agent for sale determines that the 15 credit enhancement or liquidity agreement is expected to result in 16 a lower cost of the borrowing for the bonds to which the credit 17 enhancement or liquidity agreement pertains. The amount 19 appropriated pursuant to this section for fees, costs, and other 20 similar expenses incurred in connection with any credit 21 enhancement or liquidity agreement when expressed as a 22 percentage of the original principal amount of the bonds to which 23 the credit enhancement or liquidity agreement pertains, may not 24 exceed the percentage set forth in paragraph (1) of subsection (g) 25 of Section 147 of Title 26 of the United States Code enacted as of 26 January 1, 2003. 27

SEC. 48.5. Section 8589.4 of the Government Code is amended to read:

- 8589.4. (a) A person who is acting as an agent for a transferor of real property that is located within an area of potential flooding shown on an inundation map-designated pursuant to Section 8589.5, or the transferor if he or she is acting without an agent. shall disclose to any prospective transferee the fact that the property is located within an area of potential flooding.
- (b) Disclosure is required pursuant to this section only when one of the following conditions is met:
- (1) The transferor, or the transferor's agent, has actual knowledge that the property is within an inundation area.
- (2) The local jurisdiction has compiled a list, by parcel, of 40 properties that are within the inundation area and a notice has been

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posted at the offices of the county recorder, county assessor, and county planning agency that identifies the location of the parcel list.

- (c) In all transactions that are subject to Section 1103 of the Civil Code, the disclosure required by subdivision (a) of this section shall be provided by either of the following means:
- (1) The Local Option Real Estate Disclosure Statement as provided in Section 1102.6a of the Civil Code.
- (2) The Natural Hazard Disclosure Statement as provided in Section 1103.2 of the Civil Code.
- (d) For purposes of the disclosure required by this section, the following persons shall not be deemed agents of the transferor:
 - (1) Persons specified in Section 1103.11 of the Civil Code.
- (2) Persons acting under a power of sale regulated by Section 2924 of the Civil Code.
 - (e) Section 1103.13 of the Civil Code shall apply to this section.
- (f) The specification of items for disclosure in this section does not limit or abridge any obligation for disclosure created by any other provision of law or that may exist in order to avoid fraud, misrepresentation, or deceit in the transfer transaction.

SEC. 48.6. Section 8589.5 of the Government Code is repealed.

8589.5. (a) Inundation maps showing the areas of potential flooding in the event of sudden or total failure of any dam, the partial or total failure of which the Office of Emergency Services determines, after consultation with the Department of Water Resources, would result in death or personal injury, shall be prepared and submitted as provided in this subdivision within six months after the effective date of this section, unless the time for submission of those maps is extended for reasonable cause by the Office of Emergency Services. The local governmental organization, utility, or other owner of any dam so designated shall submit to the Office of Emergency Services one map that shall delineate potential flood zones that could result in the event of dam failure when the reservoir is at full capacity, or if the local governmental organization, utility, or other owner of any dam shall determine it to be desirable, he or she shall submit three maps that shall delineate potential flood zones that could result in the event of dam failure when the reservoir is at full capacity, at median-storage level, and at normally low-storage level. After

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submission of copies of the map or maps, the Office of Emergency Services shall review the map or maps, and shall return any map 3 or maps that do not meet the requirements of this subdivision, 4 together with recommendations relative to conforming to the requirements. Maps rejected by the Office of Emergency Services shall be revised to conform to those recommendations and 6 resubmitted. The Office of Emergency Services shall keep on file those maps that conform to the provisions of this subdivision. Maps approved pursuant to this subdivision shall also be kept on 10 file with the Department of Water Resources. The owner of a dam shall submit final copies of those maps to the Office of Emergency Services that shall immediately submit identical copies to the appropriate public safety agency of any city, county, or city and 14 county likely to be affected.

(b) Based upon a review of inundation maps submitted pursuant to subdivision (a) or based upon information gained by an onsite inspection and consultation with the affected local jurisdiction when the requirement for an inundation map is waived pursuant to subdivision (d), the Office of Emergency Services shall designate areas within which death or personal injury would, in its determination, result from the partial or total failure of a dam. The appropriate public safety agencies of any city, county, or city and county, the territory of which includes any of those areas, shall adopt emergency procedures for the evacuation and control of populated areas below those dams. The Office of Emergency Services shall review the procedures to determine whether adequate public safety measures exist for the evacuation and control of populated areas below the dams, and shall make recommendations with regard to the adequacy of those procedures to the concerned public safety agency. In conducting the review, the Office of Emergency Services shall consult with appropriate state and local agencies.

Emergency procedures specified in this subdivision shall conform to local needs, and may be required to include any of the following elements or any other appropriate element, in the discretion of the Office of Emergency Services: (1) delineation of the area to be evacuated; (2) routes to be used; (3) traffic control measures; (4) shelters to be activated for the care of the evacuees; (5) methods for the movement of people without their own transportation; (6) identification of particular areas or facilities in

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the flood zones that will not require evacuation because of their 2 location on high ground or similar circumstances; (7) identification and development of special procedures for the 4 evacuation and care of people from unique institutions; (8) 5 procedures for the perimeter and interior security of the area, 6 including such things as passes, identification requirements, and 7 antilooting patrols; (9) procedures for the lifting of the evacuation 8 and reentry of the area; and (10) details of which organizations are 9 responsible for these functions and the material and personnel resources required. It is the intent of the Legislature to encourage 10 11 each agency that prepares emergency procedures to establish a 12 procedure for their review every two years.

- (c) "Dam," as used in this section, has the same meaning as specified in Sections 6002, 6003, and 6004 of the Water Code.
- (d) Under certain exceptional conditions as follows, the Office of Emergency Services may waive the requirement for an inundation map:
- (1) Where the effects of potential inundation in terms of death or personal injury, as determined through onsite inspection by the Office of Emergency Services in consultation with the affected local jurisdictions, can be ascertained without an inundation map; and
- (2) Where adequate evacuation procedures can be developed without benefit of an inundation map.
- (e) If development should occur in any exempted area after a waiver has been granted, the local jurisdiction shall notify the Office of Emergency Services of that development. All waivers shall be reevaluated every two years by the Office of Emergency Services.
- (f) A notice shall be posted at the offices of the county recorder, eounty assessor, and county planning agency that identifies the location of the map, and of any information received by the county subsequent to the receipt of the map regarding changes to inundation areas within the county.
- 35 SEC. 49. Chapter 1.5 (commencing with Section 16110) of 36 Part 1 of Division 4 of Title 2 of the Government Code is repealed. 37 SEC. 50. Section 17213 is added to the Government Code, to 38 read:
- 39 17213. Notwithstanding any other provision of law, the 40 Controller is the agent for sale for registered warrants,

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1 reimbursement warrants, and refunding warrants issued pursuant to this chapter.

- 3 SEC. 51. Section 17526 of the Government Code is amended 4 to read:
 - 17526. (a) All meetings of the commission shall be open to the public, except that the commission may meet in executive session to consider the appointment or dismissal of officers or employees of the commission or to hear complaints or charges brought against a member, officer, or employee of the commission.
 - (b) The commission shall meet at least once every month two months.
 - (c) The time and place of meetings may be set by resolution of the commission, by written petition of a majority of the members, or by written call of the chairperson. The chairperson may, for good cause, change the starting time or place, reschedule, or cancel any meeting.
 - (d) This section shall become operative on July 1, 1996.
 - SEC. 52. Section 26825 is added to the Government Code, to read:
 - 26825. (a) To ensure and maintain funding for court security, a surcharge of twenty dollars (\$20) is added to the total fee collected pursuant to Sections 26820.4, 26826, 26827, 72055, and 72056.
 - (b) Notwithstanding any other provision of law, the surcharges collected pursuant to subdivision (a) shall all be deposited in a special account in the county treasury, and transmitted therefrom monthly to the Controller for deposit in the Trial Court Trust Fund.
 - SEC. 53. Section 26830 of the Government Code is amended to read:
 - 26830. (a) Except as provided in subdivisions (b) and (c), the fee for filing any notice of motion, or any other paper requiring a hearing subsequent to the first paper, or any notice of intention to move for a new trial of any civil action or special proceeding, or an application for renewal of a judgment, is twenty-three dollars (\$23) thirty-three dollars (\$33).
 - However, there shall be no fee for filing any of the following:
- 38 (1) An amended notice of motion.
- 39 (2) A memorandum that a civil case is at issue civil case 40 management statement.

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- (3) A hearing on a petition for emancipation of a minor.
- 2 (4) Default hearings.

- (5) A show-cause hearing on a petition for an injunction prohibiting harassment.
- (6) A show-cause hearing on an application for an order prohibiting domestic violence.
- (7) A show-cause hearing on writs of review, mandate, or prohibition.
 - (8) A show-cause hearing on a petition for a change of name.
- (9) A hearing to compromise a claim of a minor or an insane or incompetent person.
- (b) The fee for filing a motion for summary judgment or summary adjudication of issues is one hundred dollars (\$100).
- (c) The fee for the filing of any motion in small claims court matters is fourteen dollars (\$14), which shall be deposited in the county general fund for use as county general fund revenue.
- (d) Notwithstanding Section 68085, fourteen dollars (\$14) of the twenty-three dollar (\$23) thirty-three dollars (\$33) fee authorized in subdivision (a) and the one hundred dollar (\$100) fee established by subdivision (b) shall be deposited in the county general fund for use as county general fund revenue. The balance of the fees collected shall all be deposited in a special account in the county treasury, and transmitted monthly to the Controller for deposit in the Trial Court Trust Fund.
- SEC. 53.5. Section 29145 of the Government Code is amended to read:
- 29145. (a) Commencing on December 31, 2001, the County Successor to Vehicle License Fee Resulting From IRP Conformity Account is hereby created as a special fund in the General Fund. All money in the County Successor to Vehicle License Fee Resulting From IRP Conformity Account is hereby continuously appropriated, without regard to fiscal years, to the Controller for allocation in accordance with subdivision (c).
 - (b) All of the following shall occur on a quarterly basis:
- (1) The Department of Motor Vehicles, in consultation with the Department of Finance, shall estimate the revenues that represent the amount of vehicle license fees which that would be paid by trailers and semitrailers pursuant to the Vehicle License Fee Law (Part 5 (commencing with Section 10701) of Division 2 of the Revenue and Taxation Code) had Sections 5014.1 and 9400.1 of

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 the Vehicle Code not been enacted, which that would be allocated to a county or city and county pursuant to subdivision (d) of Section 11005 of the Revenue and Taxation Code.

- (2) The Department of Motor Vehicles shall inform the Controller, in writing, of the amount estimated under paragraph (1).
- (c) The (1) Except as otherwise provided in paragraph (2), the Controller shall then transfer from the General Fund, on a quarterly basis to each county, including a city and county, from a proportionate share of the total sums computed pursuant to subdivision (b) in an amount which represents that is calculated on the basis of the ratio of the total population of that county bears to the total population of all the counties in the state, as determined pursuant to subdivision (d) of Section 11005 of the Revenue and Taxation Code.
- (2) For each calender quarter beginning on and after July 1, 2003, the Controller shall, in lieu of the transfers required by paragraph (1), transfer from the General Fund an amount equal to only that portion of the vehicle license fees that would be paid by trailers and semitrailers pursuant to the Vehicle License Fee Law (Part 5 (commencing with Section 10701) of Division 2 of the Revenue and Taxation Code), had Sections 5014.1 and 9400.1 of the Vehicle Code not been enacted, that is necessary to pay debt service bonds as specified in Section 53585.1 or Section 53856.1.
- (d) Funds—(1) Except as provided in paragraph (2), funds received by any county, or city and county pursuant to this section may be used by that county, or city and county in the same manner as if those funds were received pursuant to the provisions of subdivision (e) of Section 11005 of the Revenue and Taxation Code.
- (2) For quarters beginning on and after July 1, 2003, funds received by any county, or city and county, pursuant to this section may only be used by that county or city and county to pay debt service bonds as specified in Section 53585.1 or Section 53856.1.
- SEC. 54. Section 29550.4 of the Government Code is repealed.
- 29550.4. (a) Notwithstanding Section 13340, the sum of up to fifty million dollars (\$50,000,000) is hereby continuously appropriated annually from the General Fund to the Controller commencing with the 1999–2000 fiscal year for allocation to cities

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and qualified special districts for reimbursement for actual costs incurred by cities and qualified special districts in the payment of booking and processing fees pursuant to this article. For the 1999–2000 fiscal year, this appropriation shall be allocated to cities and qualified special districts for reimbursement for actual costs incurred by them during the period July 1, 1997, to July 1, 1998. If the actual costs incurred by cities and qualified special districts during the period of July 1, 1997, to July 1, 1998, in the payment to counties of booking and processing fees is greater than fifty million dollars (\$50,000,000), then the Controller shall prorate the reimbursement to each city and qualified special district accordingly.

- (b) Not later than December 1, 1999, the Controller shall allocate the funds appropriated pursuant to subdivision (a) to all qualified cities and qualified special districts and shall certify to the Director of Finance the actual amount of money allocated to cities and qualified special districts for the payment of booking and processing fees pursuant to subdivision (a).
- (c) Notwithstanding any other provision of this article, any city that pays booking and processing fees to another city is eligible for reimbursement pursuant to this section on the same basis as a city that pays booking and processing fees to a county. The amount of reimbursement for a city shall be based on the processing fees charged by the county in which that city is located. This subdivision shall apply to reimbursements beginning in the 2000–01 fiscal year based on costs incurred in the 1997–98 fiscal year.
- (d) Any city or qualified special district that applies for reimbursement pursuant to this section shall comply with all requests made by the Controller. Any city or qualified special district that contracts with a county for the payment of those fees shall be ineligible for reimbursement pursuant to this section. A city that has entered into a memorandum of understanding with its county effective May 17, 1994, which agreement allows for the payment of prepaid annual rent to satisfy the city's booking fee obligation, shall be eligible to receive reimbursement pursuant to this section.
- (e) Any qualified city that did not apply for reimbursement pursuant to this section at the time required to receive funds allocated by the Controller not later than December 1, 1999, in the

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1 1999–2000 fiscal year may apply for that reimbursement by
2 October 1, 2000. Any qualified special district may apply to the
3 Controller for reimbursement pursuant to this section for the
4 1999–2000 fiscal year by October 1, 2000.

- (f) For the purposes of this section, "qualified special district" means both of the following:
- (1) A district that supplants the law enforcement functions of the county within the jurisdiction of that district.
- (2) A district that employs peace officers, as described in Section 830.1 of the Penal Code, who are certified as meeting those standards and requirements established pursuant to Article 2 (commencing with Section 13510) of Chapter 1 of Title 4 of Part 4 of the Penal Code.
- SEC. 54.3. Section 43402 of the Government Code is repealed.
- 43402. (a) Commencing on December 31, 2001, the City Successor to Vehicle License Fee Resulting From IRP Conformity Account is hereby created as a special fund in the General Fund. All money in the City Successor to Vehicle License Fee Resulting From IRP Conformity Account is hereby continuously appropriated, without regard to fiscal years, to the Controller for allocation in accordance with subdivision (c).
 - (b) All of the following shall occur on a quarterly basis:
- (1) The Department of Motor Vehicles, in consultation with the Department of Finance, shall estimate the revenues that represent the amount of vehicle license fees which would be paid by trailers and semitrailers pursuant to the Vehicle License Fee Law (Part 5 (commencing with Section 10701) of Division 2 of the Revenue and Taxation Code) had Sections 5014.1 and 9400.1 of the Vehicle Code not been enacted, which would be allocated to a city or city and county pursuant to subdivision (c) of Section 11005 of the Revenue and Taxation Code.
- (2) The Department of Motor Vehicles shall inform the Controller, in writing, of the amount estimated under paragraph (1).
- (e) The Controller shall then transfer from the General Fund, on a quarterly basis to each city, including a city and county, from the total sums computed pursuant to subdivision (b) an amount that represents the total population of that city bears to the total population of all the cities in the state, as determined pursuant to

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subdivision (c) of Section 11005 of the Revenue and Taxation 2 Code.

- (d) Funds received by any city pursuant to this section may be used by that city, or city and county in the same manner as if those funds were received pursuant to the provisions of subdivision (e) of Section 11005 of the Revenue and Taxation Code.
- 7 SEC. 54.5. Section 68085.5 is added to the Government Code. 8 to read:
- 68085.5. (a) Notwithstanding any other provision of law, the 10 fees and fines collected pursuant to the following shall be deposited in a special account in the county treasury, and transmitted monthly to the Controller for deposit in the Trial Court Trust Fund:
 - (1) Sections 116.390, 116.570, 116.760, 116.820, 116.860, 177.5, 491.150, 704.750, 708.160, 724.100, 1134, and 1161.2 of the Code of Civil Procedure.
- (2) Sections 26824, 26828, 26829, 26834, and 72059 of this 17 18 code.
 - (3) Sections 166 and 1214.1 of the Penal Code.
 - (4) Section 1835 of the Probate Code.
 - (b) Notwithstanding any other provision of law, the fees collected pursuant to the following shall be deposited in a special account in the county treasury:
 - (1) Sections 26827.6, 26827.7, 26840.1, 26847, 26854, 26855.1, 26855.2, 26859, 27293, 71386, and 72061 of this code.
 - (2) Section 103470 of the Health and Safety Code.
 - (3) Sections 1203.4 and 1203.45 of the Penal Code.
 - (4) Sections 2343, 7660, and 13201 of the Probate Code.
 - (5) Section 14607.6 of the Vehicle Code.
 - (c) If a superior court incurs the costs or provides the services specified in the provisions listed in subdivision (b), the fees collected shall be transmitted monthly from the special account in the county treasury to the Controller for deposit in the Trial Court Trust Fund.
 - (d) This section does not apply to that portion of a fee collected pursuant to Section 26840.1 or 26859 that is paid to the State Registrar of Vital Statistics.
- 38 (e) Any amounts required to be transmitted by a county or city and county pursuant to this section shall be remitted to the Controller pursuant to subdivision (h) of Section 68085. Any

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remittance that is delinquent shall be subject to the penalties specified in that section.

- (f) The Judicial Council shall provide for the administration of this section. The Judicial Council shall adopt rules to establish procedures authorizing courts to make full use of collection programs. The Judicial Council shall periodically review or audit the use of the collection programs.
- SEC. 54.7. Section 68085.6 is added to the Government Code, to read:
- 68085.6. (a) Fees transferred from the counties to the Controller for deposit in the Trial Court Trust Fund pursuant to Sections 116.820, 177.5, and 1218 of the Code of Civil Procedure, Section 65085.1 of the Government Code, and Section 166 of the Penal Code shall not exceed in the aggregate thirty-one million dollars (\$31,000,000) per fiscal year.
- (b) The transfer of fees from counties to the Controller for deposit in the Trial Court Trust Fund pursuant Sections 116.820, 177.5, and 1218 of the Code of Civil Procedure, Section 65085.1 of the Government Code, and Section 166 of the Penal Code shall not abrogate local revenue sharing agreements of those fees between a county and a court.
- 22 SEC. 55. Section 68926 of the Government Code is amended 23 to read:
 - 68926. The fee for filing a notice of appeal in a civil case appealed to a court of appeal is two hundred sixty-five dollars (\$265) six hundred thirty dollars (\$630). The fee for filing a petition for a writ within the original civil jurisdiction of the Supreme Court is two hundred dollars (\$200). The fee for filing a petition for a writ within the original civil jurisdiction of a court of appeal is two hundred sixty-five dollars (\$265) six hundred thirty dollars (\$630). These fees are in full, for all services, through the rendering of the judgment or the issuing of the remittitur or peremptory writ, except the fee imposed by Section 68927. The Judicial Council may make rules governing the time and method of payment of these fees, and providing for excuse therefrom in appropriate cases. A fee may not be charged in appeals from, nor petitions for writs involving, juvenile cases or proceedings to declare a minor free from parental custody or control.

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SEC. 56. Section 84605 of the Government Code is amended to read:

84605. Beginning on July 1, 2000, and for all applicable reporting periods thereafter, the following persons shall file online or electronically with the Secretary of State:

- (a) Any candidate, including appellate court and Supreme Court candidates and officeholders, committee, or other persons who are required, pursuant to Chapter 4 (commencing with Section 84100), to file statements, reports, or other documents in connection with a state elective office or state measure, provided that the total cumulative reportable amount of contributions received, expenditures made, loans made, or loans received is fifty thousand dollars (\$50,000) or more. In determining the cumulative reportable amount, all. All controlled committees, as defined by Section 82016, and officeholder accounts, as defined by Section 85313, shall be included. For a committee subject to this title prior to January 1, 2000, the beginning date for calculating cumulative totals is January 1, 2000. For a committee that is first subject to this title on or after January 1, 2000, the beginning date for calculating cumulative totals is the date the committee is first subject to this title. A committee, as defined in subdivision (c) of Section 82013, shall file online or electronically if during any year during which it makes contributions of fifty thousand dollars (\$50,000) or more in a calendar year.
- (b) Any general purpose committees, as defined in Section 82027.5, including the general purpose committees of political parties, and small contributor committees, as defined in Section 85203, that eumulatively receive contributions or make expenditures totaling fifty thousand dollars (\$50,000) or more to support or oppose candidates for any elective state office or state measure. For a committee subject to this title prior to January 1, 2000, the beginning date for calculating eumulative totals is January 1, 2000. For a committee that first is subject to this title on or after January 1, 2000, the beginning date for calculating eumulative totals is the date the committee is first subject to this title.
- (c) Any slate mailer organization with cumulative reportable payments received or made for the purposes of producing slate mailers of fifty thousand dollars (\$50,000) or more. For a slate mailer organization subject to this title prior to January 1, 2000, the

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beginning date for calculating cumulative totals is January 1, 2000. For a slate mailer organization that first is subject to this title on or after January 1, 2000, the beginning date for calculating cumulative totals is the date the organization is first subject to this title.

- (d) Any lobbyist, lobbying firm, lobbyist employer, or other persons required, pursuant to Chapter 6 (commencing with Section 86100), to file statements, reports, or other documents, provided that the total amount of any category of reportable payments, expenses, contributions, gifts, or other items is five thousand dollars (\$5,000) or more in a calendar quarter.
- (e) The Secretary of State shall also disclose on the Internet any late contribution or late independent expenditure report, as defined by Sections 84203 and 84204, respectively, not covered by subdivision (a), (b), or (c).
- (f) Committees and other persons that are not required to file online or electronically by this section may do so voluntarily.
- (g) Once a person or entity is required to file online or electronically, subject to subdivision (a), (b), (c), (d), or (f), the person or entity shall be required to file all subsequent reports online or electronically.
- (h) It shall be presumed that online or electronic filers file under penalty of perjury.
- (i) Persons filing online or electronically shall also continue to file required disclosure statements and reports in paper format. The paper copy shall continue to be the official filing for audit and other legal purposes until the Secretary of State, pursuant to Section 84606, determines the system is operating securely and effectively.
- (j) The Secretary of State shall maintain at all times a secured, official version of all original online and electronically filed statements and reports required by this chapter. Upon determination by the Secretary of State, pursuant to Section 84606, that the system is operating securely and effectively, this online or electronic version shall be the official version for audit and other legal purposes.
- SEC. 57. Section 84606 of the Government Code is amended to read:
- 39 84606. The Secretary of State shall determine and publicly 40 disclose when the online and electronic disclosure systems are

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operating effectively. In making this determination, the Secretary of State shall consult with the commission, the Department of 3 Information Technology, and any other appropriate public or private entity. The online or electronic disclosure system shall not become operative until the Department of Information Technology approves the system. Upon this determination, filers required by this chapter to file online or electronically will no longer be required to file a paper copy or with local filing officers. Furthermore, the date that a filer transmits an online or electronic report shall be the date the filed report is received by the Secretary of State.

- SEC. 58. The Legislature finds and declares that Sections 56 and 57 of this act further the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.
- SEC. 59. Section 17036 of the Health and Safety Code is amended to read:
- 17036. (a) Except as provided in Section 18930, the department shall adopt regulations which that it determines are necessary for the administration and enforcement of this part. The regulations adopted, amended, or repealed shall prescribe reasonable requirements for issuance of permits and establish procedures for suspension of permits, including appeal procedures.
- (b) The department shall establish a schedule of fees to pay for the cost of administration and enforcement of this part. Upon a finding by the director that fee revenues are insufficient to fund the amount appropriated to support this part the department may adopt revisions to the fee schedule as an emergency regulation that, notwithstanding Section 11346.1 of the Government Code, shall become effective upon filing with the Secretary of State and shall remain in effect until modified by the department or until the statutory authority for the fee schedule is repealed, whichever comes first. A regulation adopted by the department pursuant to this subdivision shall be deemed to meet the requirements of an emergency regulation for purposes of approval by the Office of Administrative Law.
- 38 (c) The department may adopt additional regulations to 39 facilitate the development of employee housing pursuant to 40 Sections 17021.5 and 17021.6.

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1 SEC. 60. Section 17062.5 of the Health and Safety Code is 2 amended to read:

17062.5. All fines, civil penalties, and damages awarded pursuant to this part shall be paid as provided in this section. The court order shall direct payment of these moneys for the costs authorized by subdivision (a) of Section 17062 or subdivision (d) of Section 17055. Thereafter, 50 percent of the balance of the total award shall be paid to the agency, person, or entity to which subdivision (a) of Section 17062 or subdivision (d) of Section 17055 is applicable. The balance of the award, if at least one thousand dollars (\$1,000) is paid to that agency, person, or entity, shall be deposited in the Farmworker Housing Grant Employee Housing Inspection Fund, created pursuant to Section 50517.5, for expenditure by the department without further appropriation in a manner consistent with the other requirements of Section 50517.5, for any of the following purposes:

- (a) Rental housing that serves lower and very low income households, as defined in Sections 50079.5 and 50105, respectively, who are agricultural employees.
- (b) Rental dormitories for unaccompanied men or women who are agricultural employees.
- (c) Rehabilitation or replacement of existing employee housing for seasonal use 17062.7.
- SEC. 61. Section 17062.7 is added to the Health and Safety Code, to read:
- 17062.7. The Employee Housing Inspection Fund is hereby established in the State Treasury. Moneys in the fund shall, upon appropriation by the Legislature, be made available to the department to pay the operational costs to fulfill the responsibilities of the department pursuant to this part and the related administrative expenses of the department. There shall be paid into the fund all of the following:
- (a) Any moneys made available by the Legislature or from any other source for the purposes of this part.
- (b) Any moneys received by the department through the payment of fees, fines, and awards authorized pursuant to this part.
- 37 (c) All interest, dividends, and pecuniary gains from 38 investments or deposits of moneys in the fund, notwithstanding 39 Section 16305.7 of the Government Code.

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SEC. 62. Section 33681.9 is added to the Health and Safety Code, to read:

- 33681.9. (a) For the 2002–03 fiscal year, in addition to the funds remitted pursuant to Section 33681.7, a redevelopment agency shall remit an amount to the county auditor for deposit in the county's Educational Revenue Augmentation Fund as calculated by the Director of Finance pursuant to subdivision (b).
- (b) (1) The director shall determine a percentage factor by dividing fifty million dollars (\$50,000,000) by the amount determined in subparagraph (B) of paragraph (1) of subdivision (a) of Section 33681.7. The director shall determine an amount for each agency by multiplying the amount determined pursuant to subparagraph (A) of paragraph (1) of subdivision (a) of Section 33681.7 by the percentage factor determined pursuant to this paragraph.
- (2) The director shall determine a percentage factor by dividing fifty million dollars (\$50,000,000) by the amount determined in subparagraph (G) of paragraph (1) of subdivision (a) of Section 33681.7. The director shall determine an amount for each agency by multiplying the amount determined pursuant to subparagraph (E) of paragraph (1) of subdivision (a) of Section 33681.7 by the percentage factor determined pursuant to this paragraph.
- (3) The director shall add the amount determined pursuant to paragraph (1) to the amount determined pursuant to paragraph (2).
- (c) The director shall notify each agency and each legislative body of the amount determined pursuant to paragraph (3) of subdivision (b) within 30 days of the effective date of this section. The director shall also notify, at that time, each county auditor of the amounts determined pursuant to paragraph (3) of subdivision (b) for each agency in his or her county.
- (d) (1) Notwithstanding Sections 33334.2, 33334.3, and 33334.6, and any other provision of law, in order to make the full allocation required by this section, an agency may borrow up to 50 percent of the amount required to be allocated to the Low and Moderate Income Housing Fund pursuant to Sections 33334.2, 33334.3, and 33334.6, during the 2002–03 fiscal year, unless executed contracts exist that would be impaired if the agency reduced the amount allocated to the Low and Moderate Income

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 Housing Fund pursuant to the authority of this subdivision. Because the production of low and moderate housing is a significant statewide priority, the agency shall use the option provided in this subdivision only as a last resort after all other options for meeting the allocation required by this section.

- (2) As a condition of borrowing pursuant to this subdivision, an agency shall make a finding that there are insufficient other moneys to meet the requirements of subdivisions (a), (b), and (c). Funds borrowed pursuant to this subdivision shall be repaid in full within 10 years following the date on which moneys were borrowed.
- (e) In order to make the allocation required by this section, an agency may use any funds that are legally available and not legally obligated for other uses, including, but not limited to, reserve funds, proceeds of land sales, proceeds of bonds or other indebtedness, lease revenues, interest, and other earned income. No moneys held in a low- and moderate-income fund as of July 1 of that fiscal year may be used for this purpose.
- (f) The legislative body shall report to the county auditor as to how the agency intends to fund the allocation required by this section.
- (g) The allocation obligations imposed by this section, including amounts owed, if any, created under this section, are hereby declared to be an indebtedness of the redevelopment project to which they relate, payable from taxes allocated to the agency pursuant to Section 33670, and shall constitute an indebtedness of the agency with respect to the redevelopment project until paid in full.
- (h) It is the intent of the Legislature, in enacting this section, that these allocations directly or indirectly assist in the financing or refinancing, in whole or in part, of the community's redevelopment projects pursuant to Section 16 of Article XVI of the California Constitution.
- (i) In making the determinations required by subdivisions (a),
 (b), and (c), the Director of Finance shall use those amounts
 reported as the "Tax Increment Retained by Agency" for all
 agencies and for each agency in Table 7 of the 2000–01 fiscal year
 Controller's State of California Community Redevelopment
 Agencies Annual Report.

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(j) If revised reports have been accepted by the Controller on or before January 1, 2003, the Director of Finance shall use appropriate data that has been certified by the Controller for the purpose of making the determinations required by subdivisions (a), (b), and (c).

(k) If the agency fails to transmit the full amount of funds required by subdivision (c), is precluded by court order from transmitting that amount, or is otherwise unable to meet its full obligation pursuant to this section, the county auditor shall transfer any amount necessary to meet the obligation determined for that agency pursuant to subdivisions (a) and (b) from the legislative body's property tax allocation pursuant to Chapter 6 (commencing with Section 95) of Part 0.5 of Division 1 of the Revenue and Taxation Code.

SEC. 63.1. Section 10088.7 is added to the Insurance Code, to read:

10088.7. (a) The Seismic Safety Account is hereby created as a special account within the Insurance Fund. Money in the account may be expended upon appropriation by the Legislature for the purposes of this section to fund the department and the Seismic Safety Commission. Assessments imposed on insurers as a prorated percentage of premiums earned on earthquake insurance policies for both commercial and residential exposures relative to the aggregate premiums earned on those policies by all insurers, shall be deposited in the account. The assessments shall be set on an annual basis by the department and calculated so that the revenues in the account, together with any balances, shall be sufficient to fund appropriations for that fiscal year for support of the Seismic Safety Commission, for actual collection and administration costs of the department, and to maintain an adequate reserve. The department shall submit the proposed assessments to the Seismic Safety Commission for its review at a regularly scheduled meeting of the commission.

(b) An insurer, at its discretion, may recover the assessment from its insureds. The insurer, upon receipt of an invoice, shall transmit payment to the department for deposit in the account. Any amount undercollected or overcollected in relation to appropriation authority for the Seismic Safety Commission and the department shall be accounted for in the subsequent annual fee collection.

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(c) Funds in the Seismic Safety Account shall be distributed, upon appropriation, to the Seismic Safety Commission, and to the department for its actual administrative and collection costs.

- (d) The department shall report annually to the Legislature, the Seismic Safety Commission, and the Department of Finance on the fee calculation methodology.
- (e) This section shall remain in effect only until July 1, 2007, and as of that date is repealed, unless a later enacted statute, that is enacted before July 1, 2007, deletes or extends that date.
- SEC. 63.3. Section 12975.7 of the Insurance Code is amended to read:
- 12975.7. (a) All moneys received by the commissioner in payment of lawful fees or reimbursements pursuant to this code shall be transmitted to the State Treasurer to be deposited in the State Treasury to the credit of the Insurance Fund. Unless specified in this code to be deposited in a different fund, all moneys received by the commissioner in fines, penalties, assessments, costs, or other sanctions shall be transmitted to the State Treasury for deposit in the General Fund. The money in the Insurance Fund received from the commissioner pursuant to this section is hereby appropriated as follows:
- (a) To
- (b) The sum necessary from the Insurance Fund to pay the refunds authorized by this code is hereby appropriated for that purpose.
 - (b)
- (c) The balance of the money in the fund shall be used for the support of the Department of Insurance as authorized by the Budget Act and for related cash flow needs, and for the purposes specified in Section 10088.7.
- 31 SEC. 63.5. Section 12975.8 of the Insurance Code is amended 32 to read:
 - 12975.8. (a) The Insurance Fund shall, in addition to the funds specified in Section 12975.7, consist of all of the following:
- 35 (1) All moneys appropriated to the fund in accordance with 36 law.
- 37 (2) All moneys deposited into the State Treasury from any 38 source whatever in payment of lawful fees or reimbursements 39 collected by the Department of Insurance.

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(3) The balance remaining in the Insurance Fund at the end of any fiscal year, whether the moneys received are from an appropriation, fees, or from reimbursements for services rendered.

- (b) All-(1) Except as provided in paragraph (2), the moneys in the Insurance Fund shall be subject to an annual appropriation each fiscal year for the support of the Department of Insurance.
- (2) The moneys deposited in the Seismic Safety Account in the Insurance Fund pursuant to Section 10088.7 shall be subject to an annual appropriation each fiscal year for expenditure for the purposes specified in that section.
- (c) (1) Upon enactment of the Budget Act of 2003, an amount equal to one-half of the amount appropriated by that act for the Seismic Safety Commission shall be transferred from the Insurance Fund to the Seismic Safety Account created pursuant to Section 10088.7, as a loan. On or before December 31, 2003, an amount equal to one-half of the amount appropriated by the Budget Act of 2003 for the Seismic Safety Commission shall be transferred from the Insurance Fund to the Seismic Safety Account created pursuant to Section 10088.7, as a loan. The transferred amounts shall be available for expenditure by the Seismic Safety Commission. The loans shall be repaid from revenues collected pursuant to the assessment collected pursuant to Section 10088.7.
- (2) On July 1, 2004, July 1, 2005, and July 1, 2006, an amount equal to one-half of the amount appropriated by the annual Budget Act for the Seismic Safety Commission shall be transferred from the Insurance Fund to the Seismic Safety Account created pursuant to Section 10088.7, as a loan. On or before December 31 of 2004, 2005, and 2006, an amount equal to one-half of the amount appropriated by the annual Budget Act for the Seismic Safety Commission shall be transferred from the Insurance Fund to the Seismic Safety Account created pursuant to Section 10088.7, as a loan. The transferred amounts shall be available for expenditure by the Seismic Safety Commission. The loans shall be repaid from revenues collected pursuant to the assessment collected pursuant to Section 10088.7.
- (d) Any balance remaining in the Insurance Fund at the end of any fiscal year may be carried forward to the next succeeding fiscal year.

39 (d)

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(e) Whenever the balance in the Insurance Fund is not sufficient to cover cash flow in the payment of authorized expenditures, the department may borrow such those funds as may be necessary from whatever source and under terms and conditions as may be determined by the Director of Finance. Repayment shall be made from revenues received by the department for the same fiscal year for which the loan is made.

SEC. 64. Section 3600.6 of the Labor Code is repealed.

3600.6. Disaster service workers registered by a disaster council while performing services under the general direction of the disaster council shall be entitled to all of the same benefits of this division as any other injured employee, except as provided by Chapter 10 (commencing with Section 4351) of Part 1. For purposes of this section, an unregistered person impressed into performing service as a disaster service worker during a state of war emergency, a state of emergency, or a local emergency by a person having authority to command the aid of citizens in the execution of his or her duties shall also be deemed a disaster service worker and shall be entitled to the same benefits of this division as any other disaster service worker.

SEC. 65. Article 1 (commencing with Section 4351) of Chapter 10 of Part 1 of Division 4 of the Labor Code is repealed. SEC. 66. Article 3 (commencing with Section 4381) of Chapter 10 of Part 1 of Division 4 of the Labor Code is repealed. Section 4386 is added to the Labor Code, to read: SEC. 67. 4386. (a) Should the United States government or any agent thereof, in accordance with any federal statute or rule or regulation, furnish monetary assistance, benefits, or other temporary or permanent relief to disaster service workers or to disaster service workers and their dependents for injuries arising out of and occurring in the course of their activities as disaster service workers, the amount of compensation that any disaster service worker or his or her dependents are otherwise entitled to receive from the State of California under this division for any injury shall be reduced by the amount of monetary assistance, benefits, or other temporary or permanent relief the disaster service worker or his or her dependents have received and will receive from the United States or any agent thereof as a result of the injury.

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(b) If, in addition to monetary assistance, benefits, or other temporary or permanent relief, the United States government or any agent thereof furnishes medical, surgical, or hospital treatment or any combination thereof to an injured disaster service worker, the disaster service worker has no right to receive similar medical, surgical, or hospital treatment under this division.

- (c) If, in addition to monetary assistance, benefits, or other temporary or permanent relief, the United States government or any agent thereof will reimburse a disaster service worker or his or her dependents for medical, surgical, or hospital treatment, or any combination thereof, furnished to the injured disaster service worker, the disaster service worker has no right to receive similar medical, surgical, or hospital treatment under this division.
- (d) If the furnishing of compensation under this division to a disaster service worker or his or her dependents prevents the disaster service worker or his or her dependents from receiving assistance, benefits, or other temporary or permanent relief under a federal statute, rule, or regulation, the disaster service worker and his or her dependents shall have no right to, and shall not receive, any compensation from the State of California under this division for any injury for which the United States government or any agent thereof will furnish assistance, benefits, or other temporary or permanent relief in the absence of the furnishing of compensation by the State of California.
- SEC. 67.3. Section 1012.3 of the Military and Veterans Code is amended to read:
- 1012.3. Members of the home shall pay fees and charges as determined by the department, except that the total of the individual member's fees and charges for any fiscal year shall may not be greater than as set forth in the following schedule:
- (a) Forty-seven and one-half Fifty-five percent of the member's annual income, or one thousand two hundred dollars (\$1,200) per month, for residential care, whichever is less.
- (b) Sixty-five percent of the member's annual income, or two thousand three hundred dollars (\$2,300) per month, for intermediate care, whichever is less.
- (c) Seventy percent of the member's annual income, or two thousand five hundred dollars (\$2,500) per month, for skilled nursing care, whichever is less.
 - SEC. 67.5. Section 166 of the Penal Code is amended to read:

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166. (a) Except as provided in subdivisions (b), (c), and (d), every person guilty of any contempt of court, of any of the following kinds, is guilty of a misdemeanor:

- (1) Disorderly, contemptuous, or insolent behavior committed during the sitting of any court of justice, in the immediate view and presence of the court, and directly tending to interrupt its proceedings or to impair the respect due to its authority.
- (2) Behavior as specified in paragraph (1) committed in the presence of any referee, while actually engaged in any trial or hearing, pursuant to the order of any court, or in the presence of any jury while actually sitting for the trial of a cause, or upon any inquest or other proceedings authorized by law.
- (3) Any breach of the peace, noise, or other disturbance directly tending to interrupt the proceedings of any court.
- (4) Willful disobedience of the terms as written of any process or court order or out-of-state court order, lawfully issued by any court, including orders pending trial.
- (5) Resistance willfully offered by any person to the lawful order or process of any court.
- (6) The contumacious and unlawful refusal of any person to be sworn as a witness; or, when so sworn, the like refusal to answer any material question.
- (7) The publication of a false or grossly inaccurate report of the proceedings of any court.
- (8) Presenting to any court having power to pass sentence upon any prisoner under conviction, or to any member of the court, any affidavit or testimony or representation of any kind, verbal or written, in aggravation or mitigation of the punishment to be imposed upon the prisoner, except as provided in this code.
- (b) (1) Any person who is guilty of contempt of court under paragraph (4) of subdivision (a) by willfully contacting a victim by phone or mail, or directly, and who has been previously convicted of a violation of Section 646.9 shall be punished by imprisonment in a county jail for not more than one year, by a fine of five thousand dollars (\$5,000) payable to the court, or by both that fine and imprisonment.
- (2) For the purposes of sentencing under this subdivision, each contact shall constitute a separate violation of this subdivision.

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(3) The present incarceration of a person who makes contact with a victim in violation of paragraph (1) is not a defense to a violation of this subdivision.

- (c) (1) Notwithstanding paragraph (4) of subdivision (a), any willful and knowing violation of any protective order or stay away court order issued pursuant to Section 136.2, in a pending criminal proceeding involving domestic violence, as defined in Section 13700, or issued as a condition of probation after a conviction in a criminal proceeding involving domestic violence, as defined in Section 13700, or that is an order described in paragraph (3), shall constitute contempt of court, a misdemeanor, punishable by imprisonment in a county jail for not more than one year, by a fine of not more than one thousand dollars (\$1,000) payable to the court, or by both that imprisonment and fine.
- (2) If a violation of paragraph (1) results in a physical injury, the person shall be imprisoned in a county jail for at least 48 hours, whether a fine or imprisonment is imposed, or the sentence is suspended.
 - (3) Paragraphs (1) and (2) apply to the following court orders:
- (A) Any order issued pursuant to Section 6320 or 6389 of the Family Code.
- (B) An order excluding one party from the family dwelling or from the dwelling of the other.
- (C) An order enjoining a party from specified behavior that the court determined was necessary to effectuate the orders described in paragraph (1).
- (4) A second or subsequent conviction for a violation of any order described in paragraph (1) occurring within seven years of a prior conviction for a violation of any of those orders and involving an act of violence or "a credible threat" of violence, as provided in subdivisions (c) and (d) of Section 139, is punishable by imprisonment in a county jail not to exceed one year, or in the state prison for 16 months or two or three years.
- (5) The prosecuting agency of each county shall have the primary responsibility for the enforcement of the orders described in paragraph (1).
- (d) (1) A person who owns, possesses, purchases, or receives a firearm knowing he or she is prohibited from doing so by the provisions of a protective order as defined in Section 136.2 of this code, Section 6218 of the Family Code, or Sections 527.6 or 527.8

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 of the Code of Civil Procedure, shall be punished under the provisions of subdivision (g) of Section 12021.

- (2) A person subject to a protective order described in paragraph (1) shall not be prosecuted under this section for owning, possessing, purchasing, or receiving a firearm to the extent that firearm is granted an exemption pursuant to subdivision (h) of Section 6389 of the Family Code.
- (e) (1) If probation is granted upon conviction of a violation of subdivision (c), the court shall impose probation consistent with the provisions of Section 1203.097 of the Penal Code.
- (2) If probation is granted upon conviction of a violation of subdivision (c), the conditions of probation may include, in lieu of a fine, one or both of the following requirements:
- (A) That the defendant make payments to a battered women's shelter, up to a maximum of one thousand dollars (\$1,000).
- (B) That the defendant provide restitution to reimburse the victim for reasonable costs of counseling and other reasonable expenses that the court finds are the direct result of the defendant's offense.
- (3) For any order to pay a fine, make payments to a battered women's shelter, or pay restitution as a condition of probation under this subdivision or subdivision (c), the court shall make a determination of the defendant's ability to pay. In no event shall any order to make payments to a battered women's shelter be made if it would impair the ability of the defendant to pay direct restitution to the victim or court-ordered child support.
- (4) If the injury to a married person is caused in whole or in part by the criminal acts of his or her spouse in violation of subdivision (c), the community property may not be used to discharge the liability of the offending spouse for restitution to the injured spouse required by Section 1203.04, as operative on or before August 2, 1995, or Section 1202.4, or to a shelter for costs with regard to the injured spouse and dependents required by this subdivision, until all separate property of the offending spouse is exhausted.
- (5) Any person violating any order described in subdivision (c) may be punished for any substantive offenses described under Section 136.1 or 646.9. No finding of contempt shall be a bar to prosecution for a violation of Section 136.1 or 646.9. However, any person held in contempt for a violation of subdivision (c) shall

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be entitled to credit for any punishment imposed as a result of that violation against any sentence imposed upon conviction of an offense described in Section 136.1 or 646.9. Any conviction or acquittal for any substantive offense under Section 136.1 or 646.9 5 shall be a bar to a subsequent punishment for contempt arising out 6 of the same act.

- (g) Fines collected pursuant to subdivision (b) or (c) shall be deposited in a special account in the county treasury, and transmitted monthly to the Controller for deposit in the Trial Court Trust Fund.
- SEC. 68. *Section 1465.8 is added to the Penal Code, to read:* 1465.8. (a) To ensure and maintain funding for court security, a fee of twenty dollars (\$20) shall be imposed on every bail deposit for a criminal offense for which no appearance is necessary, including a traffic offense, except parking offenses as defined in subdivision (i) of Section 1463, involving a violation of the Vehicle Code or any local ordinance adopted pursuant to the Vehicle Code.
- (b) This fee shall be in addition to the state penalty assessed pursuant to Section 1464, and may not be included in the base fine used to calculate the state penalty assessment, as specified in subdivision (a) of Section 1464.
- (c) Whenever bail is deposited for an offense to which this section applies, and for which a court appearance is not necessary, the person making the deposit shall also pay the fee prescribed by this section.
- (d) Notwithstanding any other provision of law, the fees collected pursuant to subdivision (a) shall all be deposited in a special account in the county treasury, and transmitted therefrom monthly to the Controller for deposit in the Trial Court Trust Fund.
- (e) The Judicial Council shall provide for the administration of this section.
 - SEC. 69. Section 2962 of the Penal Code is amended to read:
- 2962. As a condition of parole, a prisoner who meets the following criteria shall be required to be treated by the State Department of Mental Health, and the State Department of Mental
- 36
- 37 Health shall provide the necessary treatment:
- 38 (a) The prisoner has a severe mental disorder that is not in 39 remission or cannot be kept in remission without treatment.

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 The term "severe mental disorder" means an illness or disease or condition that substantially impairs the person's thought, perception of reality, emotional process, or judgment; or which grossly impairs behavior; or that demonstrates evidence of an acute brain syndrome for which prompt remission, in the absence of treatment, is unlikely. The term "severe mental disorder" as used in this section does not include a personality or adjustment disorder, epilepsy, mental retardation or other developmental disabilities, or addiction to or abuse of intoxicating substances.

The term "remission" means a finding that the overt signs and symptoms of the severe mental disorder are controlled either by psychotropic medication or psychosocial support. A person "cannot be kept in remission without treatment" if during the year prior to the question being before the Board of Prison Terms or a trial court, he or she has been in remission and he or she has been physically violent, except in self-defense, or he or she has made a serious threat of substantial physical harm upon the person of another so as to cause the target of the threat to reasonably fear for his or her safety or the safety of his or her immediate family, or he or she has intentionally caused property damage, or he or she has not voluntarily followed the treatment plan. In determining if a person has voluntarily followed the treatment plan, the standard shall be whether the person has acted as a reasonable person would in following the treatment plan.

- (b) The severe mental disorder was one of the causes of or was an aggravating factor in the commission of a crime for which the prisoner was sentenced to prison.
- (c) The prisoner has been in treatment for the severe mental disorder for 90 days or more within the year prior to the prisoner's parole or release.
- (d) (1) Prior to release on parole, the person in charge of treating the prisoner and a practicing psychiatrist or psychologist from the State Department of Mental Health have evaluated the prisoner at a facility of the Department of Corrections, and a chief psychiatrist of the Department of Corrections has certified to the Board of Prison Terms that the prisoner has a severe mental disorder, that the disorder is not in remission, or cannot be kept in remission without treatment, that the severe mental disorder was one of the causes or was an aggravating factor in the prisoner's criminal behavior, that the prisoner has been in treatment for the

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severe mental disorder for 90 days or more within the year prior to his or her parole release day, and that by reason of his or her severe mental disorder the prisoner represents a substantial danger of physical harm to others. For prisoners being treated by the State Department of Mental Health pursuant to Section 2684, the certification shall be by a chief psychiatrist of the Department of Corrections, and the evaluation shall be done at a state hospital by the person at the state hospital in charge of treating the prisoner and a practicing psychiatrist or psychologist from the Department of Corrections.

- (2) If the professionals doing the evaluation pursuant to paragraph (1) do not concur that (A) the prisoner has a severe mental disorder, (B) that the disorder is not in remission or cannot be kept in remission without treatment, or (C) that the severe mental disorder was a cause of, or aggravated, the prisoner's criminal behavior, and a chief psychiatrist has certified the prisoner to the Board of Prison Terms pursuant to this paragraph, then the Board of Prison Terms shall order a further examination by two an independent professionals professional, as provided for in Section 2978.
- (3) Only if—both the independent—professionals professional who—evaluate evaluates the prisoner pursuant to paragraph (2) eoneur concurs with the chief psychiatrist's certification of the issues described in paragraph (2), shall this subdivision be applicable to the prisoner. The—professionals professional appointed pursuant to Section 2978 shall inform the prisoner that the purpose of—their the examination is not treatment but to determine if the prisoner meets certain criteria to be involuntarily treated as a mentally disordered offender. It is not required that the prisoner appreciate or understand that information.
- (e) The crime referred to in subdivision (b) meets both of the following criteria:
- (1) The defendant received a determinate sentence pursuant to Section 1170 for the crime.
 - (2) The crime is one of the following:
 - (A) Voluntary manslaughter.
- 37 (B) Mayhem.
- 38 (C) Kidnapping in violation of Section 207.
- 39 (D) Any robbery wherein it was charged and proved that the 40 defendant personally used a deadly or dangerous weapon, as

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provided in subdivision (b) of Section 12022, in the commission of that robbery.

- (E) Carjacking, as defined in subdivision (a) of Section 215, if it is charged and proved that the defendant personally used a deadly or dangerous weapon, as provided in subdivision (b) of Section 12022, in the commission of the carjacking.
- (F) Rape, as defined in paragraph (2) or (6) of subdivision (a) of Section 261 or paragraph (1) or (4) of subdivision (a) of Section 262.
- (G) Sodomy by force, violence, duress, menace, or fear of immediate and unlawful bodily injury on the victim or another person.
- (H) Oral copulation by force, violence, duress, menace, or fear of immediate and unlawful bodily injury on the victim or another person.
- (I) Lewd acts on a child under the age of 14 years in violation of Section 288.
 - (J) Continuous sexual abuse in violation of Section 288.5.
- (K) The offense described in subdivision (a) of Section 289 where the act was accomplished against the victim's will by force, violence, duress, menace, or fear of immediate and unlawful bodily injury on the victim or another person.
- (L) Arson in violation of subdivision (a) of Section 451, or arson in violation of any other provision of Section 451 or in violation of Section 455 where the act posed a substantial danger of physical harm to others.
- (M) Any felony in which the defendant used a firearm which use was charged and proved as provided in Section 12022.5, 12022.53, or 12022.55.
 - (N) A violation of Section 12308.
 - (O) Attempted murder.
- (P) A crime not enumerated in subparagraphs (A) to (O), inclusive, in which the prisoner used force or violence, or caused serious bodily injury as defined in paragraph (4) of subdivision (f) of Section 243.
- (Q) A crime in which the perpetrator expressly or impliedly threatened another with the use of force or violence likely to produce substantial physical harm in such a manner that a reasonable person would believe and expect that the force or violence would be used. For purposes of this subparagraph,

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substantial physical harm shall not require proof that the threatened act was likely to cause great or serious bodily injury.

(f) As used in this chapter, "substantial danger of physical harm" does not require proof of a recent overt act.

Section 2964 of the Penal Code is amended to read: SEC. 70. 2964. (a) The treatment required by Section 2962 shall be inpatient unless the State Department of Mental Health certifies to the Board of Prison Terms that there is reasonable cause to believe the parolee can be safely and effectively treated on an outpatient basis, in which case the Board of Prison Terms shall permit the State Department of Mental Health to place the parolee in an outpatient treatment program specified by the State Department of Mental Health. Any prisoner who is to be required to accept treatment pursuant to Section 2962 shall be informed in writing of his or her right to request a hearing pursuant to Section 2966. Prior to placing a parolee in a local outpatient program, the State Department of Mental Health shall consult with the local outpatient program as to the appropriate treatment plan. Notwithstanding any other law, a parolee ordered to have outpatient treatment pursuant to this section may be placed in an outpatient treatment program used to provide outpatient treatment under Title 15 (commencing with Section 1600) of Part 2, but the procedural provisions of Title 15 shall not apply. The community program director or a designee of an outpatient program used to provide treatment under Title 15 in which a parolee is placed, may place the parolee, or cause the parolee to be placed, in a secure mental health facility if the parolee can no longer be safely or effectively treated in the outpatient program, and until the parolee can be safely and effectively treated in the program. Upon the request of the community program director or a designee, a peace officer shall take the parolee into custody and transport the parolee, or cause the parolee to be taken into custody and transported, to a facility designated by the community program director, or a designee, for confinement under this section. Within 15 days after placement in a secure facility the State Department of Mental Health shall conduct a hearing on whether the parolee can be safely and effectively treated in the program unless the patient or the patient's attorney agrees to a continuance, or unless good cause exists that prevents the State Department of Mental Health from conducting the hearing within that period of time. If good cause

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exists, the hearing shall be held within 21 days after placement in a secure facility. For purposes of this section, "good cause" means the inability to secure counsel, an interpreter, or witnesses for the 3 4 hearing within the 15-day time period. Before deciding to seek 5 revocation of the parole of a parolee receiving mental health 6 treatment pursuant to Section 2962, and return him or her to prison, the parole officer shall consult with the director of the parolee's outpatient program. Nothing in this section shall prevent 9 hospitalization pursuant to Section 5150, 5250, or 5353 of the Welfare and Institutions Code. 10

(b) If the State Department of Mental Health has not placed a parolee on outpatient treatment within 60 days after receiving custody of the parolee or after parole is continued pursuant to Section 3001, the parolee may request a hearing before the Board of Prison Terms, and the board shall conduct a hearing to determine whether the prisoner shall be treated as an inpatient or an outpatient. At the hearing, the burden shall be on the State Department of Mental Health to establish that the prisoner requires inpatient treatment as described in this subdivision. If the prisoner or any person appearing on his or her behalf at the hearing requests it, the board shall appoint two independent professionals as provided for in Section 2978.

SEC. 71. Section 2966 of the Penal Code is amended to read: 2966. (a) A prisoner may request a hearing before the Board of Prison Terms, and the board shall conduct a hearing if so requested, for the purpose of proving that the prisoner meets the criteria in Section 2962. At the hearing, the burden of proof shall be on the person or agency who certified the prisoner under subdivision (d) of Section 2962. If the prisoner or any person appearing on his or her behalf at the hearing requests it, the board shall appoint two an independent professional as provided for in Section 2978, except that if the prisoner was previously evaluated by an independent professional pursuant to paragraph (2) of subdivision (d) of Section 2962 as a result of a difference of opinion between the State Department of Mental Health and the Department of Corrections, no further independent professional shall be appointed. The prisoner shall be informed at the hearing of his or her right to request a trial pursuant to subdivision (b). The Board of Prison Terms shall provide a

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prisoner who requests a trial, a petition form and instructions for filing the petition.

(b) A prisoner who disagrees with the determination of the Board of Prison Terms that he or she meets the criteria of Section 2962, may file in the superior court of the county in which he or she is incarcerated or is being treated a petition for a hearing on whether he or she, as of the date of the Board of Prison Terms hearing, met the criteria of Section 2962. The court shall conduct a hearing on the petition within 60 calendar days after the petition is filed, unless either time is waived by the petitioner or his or her counsel, or good cause is shown. Evidence offered for the purpose of proving the prisoner's behavior or mental status subsequent to the Board of Prison Terms hearing shall not be considered. The order of the Board of Prison Terms shall be in effect until the completion of the court proceedings. The court shall advise the petitioner of his or her right to be represented by an attorney and of the right to a jury trial. The attorney for the petitioner shall be given a copy of the petition, and any supporting documents. The hearing shall be a civil hearing; however, in order to reduce costs, the rules of criminal discovery, as well as civil discovery, shall be applicable. The standard of proof shall be beyond a reasonable doubt, and if the trial is by jury, the jury shall be unanimous in its verdict. The trial shall be by jury unless waived by both the person and the district attorney. The court may, upon stipulation of both parties, receive in evidence the affidavit or declaration of any psychiatrist, psychologist, or other professional person who was involved in the certification and hearing process, or any professional person involved in the evaluation or treatment of the petitioner during the certification process. The court may allow the affidavit or declaration to be read and the contents thereof considered in the rendering of a decision or verdict in any proceeding held pursuant to subdivision (b) or (c), or subdivision (a) of Section 2972. If the court or jury reverses the determination of the Board of Prison Terms, the court shall stay the execution of the decision for five working days to allow for an orderly release of the prisoner.

(c) If the Board of Prison Terms continues a parolee's mental health treatment under Section 2962 when it continues the parolee's parole under Section 3001, the procedures of this section shall only be applicable for the purpose of determining if the

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parolee has a severe mental disorder, whether the parolee's severe mental disorder is not in remission or cannot be kept in remission without treatment, and whether by reason of his or her severe mental disorder, the parolee represents a substantial danger of physical harm to others.

SEC. 72. Section 6051 of the Penal Code is amended to read: 6051. The Inspector General shall may conduct a management review audit of any warden in the Department of Corrections or superintendent in the Department of the Youth Authority who has held his or her position for more than four years. The Inspector General shall conduct a management review audit following the confirmation of a new warden or the appointment of a new superintendent unless the Inspector General determines that the audit is not warranted at that time. The management review audit shall include, but not be limited to, issues relating to personnel, training, investigations, and financial matters. The audit report shall be submitted to the secretary of the agency, and the respective director for evaluation and for any response deemed necessary. Any Member of the Legislature may request and shall be provided with a copy of any audit report. A report that involves potential criminal investigations or prosecution shall be considered confidential.

SEC. 73. Section 6129 of the Penal Code is amended to read: 6129. (a) (1) For purposes of this section, "employee" means any person employed by the Youth and Adult Correctional Agency, the Department of Corrections, the Department of the Youth Authority, the Board of Corrections, the Board of Prison Terms, the Youthful Offender Parole Board, or the Inspector General.

- (2) For purposes of this section, "retaliation" means intentionally engaging in acts of reprisal, retaliation, threats, coercion, or similar acts against another employee who has done either of the following:
- (A) Has disclosed or is disclosing to any employee at a supervisory or managerial level, what the employee, in good faith, believes to be improper governmental activities.
- (B) Has cooperated or is cooperating with any investigation of improper governmental activities.
- 39 (b) (1) Upon receiving a complaint of retaliation from an 40 employee, the Inspector General shall may commence an

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investigation within 30 days of receiving the complaint. All investigations conducted pursuant to this section shall be performed, where applicable, in accordance with the requirements of Chapter 9.7 (commencing with Section 3300) of Title 1 of Division 4 of the Government Code.

- (2) When investigating a complaint, in determining whether retaliation has occurred, the Inspector General shall consider, among other things, whether any of the following either actually occurred or were threatened:
 - (A) Unwarranted or unjustified staff changes.
- (B) Unwarranted or unjustified letters of reprimand or other disciplinary actions, or unsatisfactory evaluations.
- (C) Unwarranted or unjustified formal or informal investigations.
- (D) Engaging in acts, or encouraging or permitting other employees to engage in acts, that are unprofessional, or foster a hostile work environment.
- (E) Engaging in acts, or encouraging or permitting other employees to engage in acts, that are contrary to the rules, regulations, or policies of the workplace.
- (3) Upon authorization of the complainant employee, the Inspector General may release the findings of the investigation of alleged retaliation to the State Personnel Board for appropriate action.
- (c) Any employee at any rank and file, supervisory, or managerial level, who intentionally engages in acts of reprisal, retaliation, threats, coercion, or similar acts against another employee, pursuant to paragraph (2) of subdivision (a), shall be disciplined by adverse action as provided in Section 19572 of the Government Code. If no adverse action is taken, the State Personnel Board shall invoke adverse action proceedings as provided in Section 19583.5 of the Government Code.
- (d) (1) In addition to all other penalties provided by law, including Section 8547.8 of the Government Code or any other penalties that the sanctioning authority may determine to be appropriate, any state employee at any rank and file, supervisory, or managerial level found by the State Personnel Board to have intentionally engaged in acts of reprisal, retaliation, threats, or coercion shall be suspended for not less than 30 days without pay, and shall be liable in an action for damages brought against him

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or her by the injured party. If the State Personnel Board determines that a lesser period of suspension is warranted, the reasons for that determination must be justified in writing in the decision.

- (2) Punitive damages may be awarded by the court if the acts of the offending party are proven to be malicious. If liability has been established, the injured party also shall be entitled to reasonable attorney's fees as provided by law.
- (e) Nothing in this section shall prohibit the employing entity from exercising its authority to terminate, suspend, or discipline an employee who engages in conduct prohibited by this section.
- (f) The Inspector General, the Youth and Adult Correctional Agency, the Department of the Youth Authority, the Department of Corrections, the Board of Corrections, the Youthful Offender Parole Board, and the Board of Prison Terms shall refer matters involving criminal conduct to the proper law enforcement authorities in the appropriate jurisdiction for further action. The entity making a referral to the local district attorney shall also notify the Attorney General of the action. If the local district attorney refuses to accept the case, he or she shall notify the referring entity who shall subsequently refer the matter to the Attorney General. If the local district attorney has not acted on the matter, the referring entity shall notify the Attorney General. It is the intent of the Legislature that the Department of Justice avoid any conflict of interest in representing the State of California in any civil litigation that may arise in a case in which an investigation has been or is currently being conducted by the Bureau of Investigation by contracting when necessary for private counsel.

SEC. 73.3. Section 11050.5 of the Penal Code is amended to read:

11050.5. (a) The Attorney General may, upon the request of any district attorney, sheriff, chief of police, or other local, state or federal law enforcement official, make available to such official so requesting, the department's laboratory facilities and personnel and the department's technical experts, including but not limited to such personnel as fingerprint examiners, criminalists, document examiners and intelligence specialists for the purpose of assisting in the investigation of criminal matters, the detection of crimes and the apprehension or prosecution of criminals.

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- (b) The Attorney General may, upon the request of any public defender or private defense counsel appointed by the court, make available to such public defender or such private appointed counsel, the department's laboratory facilities and personnel and the department's technical experts, including but not limited to such personnel as fingerprint examiners, criminalists, document examiners and intelligence specialists for the purpose of assisting in the representation by such public defender or private appointed counsel of persons in criminal proceedings. The Attorney General may contract with each county whose public defender or such private appointed counsel makes requests pursuant to this subdivision for the payment of the reasonable costs of time and material in making available information, services or facilities pursuant to this subdivision. No information, services or facilities shall be made available to such public defender or private appointed counsel unless the county so contracts with the Attorney General.
- (c) A copy of any information, including the results of any analysis, furnished by the Attorney General to a public defender, or private defense counsel appointed by the court, pursuant to subdivision (b) shall be sent to the district attorney of the county in which the public defender is located. If this subdivision or its application to any person or circumstance is invalid, subdivision (b) shall not be operative.
- (d) The Department of Justice may shall charge a fee for the laboratory services it performs.
- SEC. 74. Section 13601 of the Penal Code is amended to read: 13601. (a) The CPOST shall develop, approve, and monitor standards for the selection and training of state correctional peace officer apprentices. Any standard for selection established under this subdivision shall be subject to approval by the State Personnel Board. Using the psychological and screening standards established by the State Personnel Board, the State Personnel Board or the Department of the Youth Authority shall ensure that, prior to training, each applicant who has otherwise qualified in all physical and other testing requirements to be a peace officer in either a youth or adult correctional facility, is determined to be free from emotional or mental conditions that might adversely affect the exercise of his or her duties and powers as a peace officer.

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 (b) The CPOST may approve standards for a course in the carrying and use of firearms for correctional peace officers that is different from that prescribed pursuant to Section 832. The standards shall take into consideration the different circumstances presented within the institutional setting from that presented to other law enforcement agencies outside the correctional setting.

- (c) Notwithstanding Section 3078 of the Labor Code, the length of the probationary period for correctional peace officer apprentices shall be determined by the CPOST subject to approval by the State Personnel Board, pursuant to Section 19170 of the Government Code.
- (d) The CPOST shall develop, approve, and monitor standards for advanced rank-and-file and supervisory state correctional peace officer and training programs for the Department of Corrections. When a correctional peace officer is promoted within the Department of Corrections, he or she shall be provided with and be required to complete these secondary training experiences.
- (e) The CPOST shall develop, approve, and monitor standards for the training of state correctional peace officers *in the Department of Corrections* in the handling of stress associated with their duties.
- (f) Toward the accomplishment of the objectives of this act, the CPOST may confer with, and may avail itself of the assistance and recommendations of, other state and local agencies, boards, or commissions.
- (g) Notwithstanding the authority of the CPOST, the departments shall design and deliver training programs, shall conduct validation studies, and shall provide program support. The CPOST shall monitor program compliance by the departments.
- (h) The CPOST may disapprove any training courses created by the departments pursuant to the standards developed by the commission if it determines that the courses do not meet the prescribed standards.
- (i) The CPOST shall annually submit an estimate of costs to conduct those inquiries and audits as may be necessary to determine whether the departments and each of their institutions and parole regions are adhering to the standards developed by CPOST, and shall conduct such inquiries and audits consistent with the annual Budget Act.

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(j) The CPOST shall establish and implement procedures for reviewing and issuing decisions concerning complaints or recommendations from interested parties regarding CPOST rules, regulations, standards, or decisions.

- SEC. 75. Section 13602 of the Penal Code is amended to read: 13602. (a) The Department of Corrections shall use the training academy at Galt. This academy shall be known as the Richard A. McGee Academy. The Department of the Youth Authority shall use the training center at Stockton. The training divisions, in using the funds, shall endeavor to minimize costs of administration so that a maximum amount of the funds will be used for providing training and support to correctional peace officers while being trained by the departments.
- (b) Each new cadet who attends an academy after July 1, 2001, shall complete the course of training, pursuant to standards approved by CPOST before he or she may be assigned to a post or job as a peace officer. After July 1, 2001, every Every newly appointed first-line or second-line supervisor in the Department of Corrections shall complete the course of training, pursuant to standards approved by CPOST for that position. Every
- (c) The Department of Corrections and the Department of the Youth Authority shall make every effort-shall be made to provide training prior to commencement of supervisorial duties. If this training is not completed within six months of appointment to that position, any first-line or second-line supervisor shall not perform supervisory duties until the training is completed.
- SEC. 77. Section 21682 of the Public Utilities Code is amended to read:
- 21682. (a) The department shall establish individual revolving fund subaccounts for eligible airports in the Aeronautics Account in the State Transportation Fund. Money payable under this section shall be credited to individual airport subaccounts annually, and may be accumulated for a maximum period of five years.
- (b) The department shall, subject to Section 21684, credit from the Aeronautics Account to each public entity owning and operating an airport or airports under a valid permit issued by the department for every airport which has not been designated by the Federal Aviation Administration as (1) a reliever airport, as defined in Section 503 (a) (19) of the federal Airport and Airway

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Improvement Act of 1982, as amended, or (2) a commercial service airport, as defined in Section 503 (a) (5) of the federal Airport and Airway Improvement Act of 1982, as amended, the sum of ten thousand dollars (\$10,000) annually for each qualifying airport. These funds shall be paid to public entities upon request for expenditure on preapproved eligible projects. Eligible public entities may submit applications for the withdrawal of credited funds for expenditure on proposed projects in letter form to the department for review and approval. Projects identified shall be for airport and aviation purposes and operation and maintenance purposes. No payment made under this section is transferable, but shall be expended only upon the airport for which the payment is made, unless the department authorizes a payment to be transferred for expenditure on another airport owned or operated by the public entity. The department may establish any accounting systems it deems necessary to provide for the cumulation and expenditure of funds under this subdivision.

- (c) If, in any year, there is insufficient money in the Aeronautics Account to make the credits specified in subdivision (b), the department shall, subject to Section 21684, credit to each public entity subaccount an amount which is equal to the total amount of money in the Aeronautics Account multiplied by a percentage equivalent to the proportion which the airport or airports of the public entity for which credit is required to be made pursuant to subdivision (b) bear to the total number of airports for which credit is required to be made pursuant to subdivision (b).
- (d) No payment shall be made under this section to any public entity for any airport on which general or commercial aviation activities are substantially restricted if the airport is licensed to conduct these activities by the department. The department shall determine whether or not general or commercial aviation activities are restricted.
- (e) The department shall adopt rules and regulations and establish procedures to effect prompt payment to public entities for eligible airport projects from money credited pursuant to this section.
- (f) Notwithstanding any other provision of this article, the balance of funds in the Aeronautics Account credited to airport subaccounts pursuant to subdivisions (a) and (b), may be

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1 transferred, upon appropriation by the Legislature, to the General2 Fund.

- (g) The credit of funds from the Aeronautics Account pursuant to subdivision (b), shall be suspended for the 2003–04 fiscal year. SEC. 78. Section 21683.1 of the Public Utilities Code is amended to read:
- 21683.1. (a) At the discretion of the commission, any balance remaining in the Aeronautics Account, after the payments made under Section 21682, may be used to provide a portion of the local match for federal Airport Improvement Program grants. Matching shall be provided only for grants at general aviation airports, or at airports that have been designated by the Federal Aviation Administration as reliever airports, as defined in Section 503(a)(19) of the federal Airport and Airway Improvement Act of 1982, as amended.
- (b) Funds shall not be allocated by the commission until the federal grant offer is accepted by the public entity. Upon allocation by the commission, the department may pay a public entity an amount equal to 5 percent of the amount of a federal Airport Improvement Program grant. These funds are excluded from the requirements of Section 21684.
- (c) Funds shall not be allocated by the commission until the federal grant offer is accepted by the public entity. Upon allocation by the commission, the department may, until December 31, 2006, pay a public entity an amount equal to the 10 percent local match required for a federal Airport Improvement Program grant for security projects at small general aviation airports. For purposes of this section, a "security project" means a project to install or maintain fencing, gates, security lighting, access controls systems, and surveillance systems. For purposes of this section a "small general aviation airport" means an airport with fewer than 80,000 annual landings and take-offs of aircraft.
- (d) Notwithstanding any other provision of this article, grants for security projects, as defined in subdivision (c), shall be the highest priority for grants awarded by the commission.
- 36 SEC. 78.6. Section 7102 of the Revenue and Taxation Code is 37 amended to read:
 - 7102. The money in the fund shall, upon order of the Controller, be drawn therefrom for refunds under this part, credits or refunds pursuant to Section 60202, and refunds pursuant to

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1 Section 1793.25 of the Civil Code, or be transferred in the 2 following manner:

- (a) (1) All revenues, less refunds, derived under this part at the $4^{3}/_{4}$ -percent rate, including the imposition of sales and use taxes with respect to the sale, storage, use, or other consumption of motor vehicle fuel which would not have been received if the sales and use tax rate had been 5 percent and if motor vehicle fuel, as defined for purposes of the Motor Vehicle Fuel License Tax Law (Part 2 (commencing with Section 7301)), had been exempt from sales and use taxes, shall be estimated by the State Board of Equalization, with the concurrence of the Department of Finance, and shall be transferred quarterly to the Public Transportation Account, a trust fund in the State Transportation Fund.
- (A) For the 2001–02 fiscal year, those transfers may not be more than eighty-one million dollars (\$81,000,000) plus one-half of the amount computed pursuant to this paragraph that exceeds eighty-one million dollars (\$81,000,000).
- (B) For the 2002–03 fiscal year, those transfers may not be more than thirty-seven million dollars (\$37,000,000) plus one-half of the amount computed pursuant to this paragraph that exceeds thirty-seven million dollars (\$37,000,000).
- (C) For the 2003–04 fiscal year, notwithstanding this paragraph, the entire amount estimated pursuant to this paragraph shall instead be transferred to the Transportation Investment Fund for transfer and apportionment pursuant to subdivision (c) of Section 7104.
- (2) All revenues, less refunds, derived under this part at the 4³/₄-percent rate, resulting from increasing, after December 31, 1989, the rate of tax imposed pursuant to the Motor Vehicle Fuel License Tax Law on motor vehicle fuel, as defined for purposes of that law, shall be transferred quarterly to the Public Transportation Account, a trust fund in the State Transportation Fund.
- (3) All revenues, less refunds, derived under this part at the $4^{3}/_{4}$ -percent rate from the imposition of sales and use taxes on fuel, as defined for purposes of the Use Fuel Tax Law (Part 3 (commencing with Section 8601)) and the Diesel Fuel Tax Law (Part 31 (commencing with Section 60001)), shall be estimated by the State Board of Equalization, with the concurrence of the Department of Finance, and shall be transferred quarterly to the

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Public Transportation Account, a trust fund in the State Transportation Fund.

- (4) All revenues, less refunds, derived under this part from a rate of more than $4^3/_4$ percent pursuant to Sections 6051.1 and 6201.1 for the period December 1, 1989, to June 5, 1990, inclusive, shall be transferred to the Disaster Relief Fund created by Section 16419 of the Government Code.
- (5) All revenues, less refunds, derived under this part from a rate of more than $4^{3}/_{4}$ percent pursuant to Sections 6051.1 and 6201.1 for the period June 6, 1990, to December 31, 1990, inclusive, which is attributable to the imposition of sales and use taxes with respect to the sale, storage, use, or other consumption of tangible personal property other than fuel, as defined for purposes of the Use Fuel Tax Law (Part 3 (commencing with Section 8601)), shall be transferred to the Disaster Relief Fund created by Section 16419 of the Government Code.
- (6) All revenues, less refunds, derived under this part from a rate of more than $4^{3}/_{4}$ percent pursuant to Sections 6051.1 and 6201.1 for the period June 6, 1990, to December 31, 1990, inclusive, which is attributable to the imposition of sales and use taxes with respect to the sale, storage, use, or other consumption of fuel, as defined for purposes of the Use Fuel Tax Law (Part 3 (commencing with Section 8601)), shall be transferred to the Disaster Relief Fund created by Section 16419 of the Government Code.
- (7) All revenues, less refunds, derived under this part from the taxes imposed pursuant to Sections 6051.2 and 6201.2 shall be transferred to the Sales Tax Account of the Local Revenue Fund for allocation to cities and counties as prescribed by statute.
- (8) All revenues, less refunds, derived under this part from the taxes imposed pursuant to Sections 6051.6 and 6201.6 shall be transferred to the Interim Public Safety Account in the Local Public Safety Fund created in Section 30051 of the Government Code for allocation to counties as prescribed by statute.
- (9) All revenues, less refunds, derived from the taxes imposed pursuant to Section 35 of Article XIII of the California Constitution shall be transferred to the Public Safety Account in the Local Public Safety Fund created in Section 30051 of the Government Code for allocation to counties as prescribed by statute.

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(10) An amount equal to all revenues, less refunds, derived under this part at a $4^{3}/_{4}$ percent rate for the period between January 1, 1994, and July 1, 1994, from the increase in sales and use tax revenue attributable to the increase in the rate of the federal motor vehicle fuel tax between January 1, 1993, and the rate in effect on January 1, 1994, shall be estimated by the State Board of Equalization, with the concurrence of the Department of Finance, and an amount equal to that amount, but not exceeding seven million five hundred thousand dollars (\$7,500,000) shall be transferred from the Retail Sales Tax Fund to the Small Business Expansion Fund created by Article 5 (commencing with Section 14030) of Chapter 1 of Part 5 of Division 3 of Title I of the Corporations Code.

- (b) The balance shall be transferred to the General Fund.
- (c) The estimates required by subdivision (a) shall be based on taxable transactions occurring during a calendar year, and the transfers required by subdivision (a) shall be made during the fiscal year that commences during that same calendar year. Transfers required by paragraphs (1), (2), and (3) of subdivision (a) shall be estimated by the State Board of Equalization, with the concurrence of the Department of Finance, and shall be made quarterly.
- (d) Notwithstanding the designation of the Public Transportation Account as a trust fund pursuant to subdivision (a), the Controller may use the Public Transportation Account for loans to the General Fund as provided in Sections 16310 and 16381 of the Government Code. The loans shall be repaid with interest from the General Fund at the Pooled Money Investment Account rate.
- (e) The Legislature may amend this section, by statute passed in each house of the Legislature by rollcall vote entered in the journal, two-thirds of the membership concurring, if the statute is consistent with, and furthers the purposes of this section.
 - (f) This section shall become operative on June 30, 2001.
- SEC. 78.7. Section 7104 of the Revenue and Taxation Code is amended to read:
- 7104. (a) The Transportation Investment Fund (hereafter the fund) is hereby created in the State Treasury. Notwithstanding Section 13340 of the Government Code, the The money in the fund-is continuously appropriated without regard to fiscal years,

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upon appropriation by the Legislature, shall be available for disbursement in the manner and for the purposes set forth in this section.

- (b) All of the following shall occur on a quarterly basis:
- (1) The State Board of Equalization, in consultation with the Department of Finance, shall estimate the amount that is transferred to the General Fund under subdivision (b) of Section 7102 that is attributable to revenue collected for the sale, storage, use, or other consumption in this state of motor vehicle fuel, as defined in Section 7304.
- (2) The State Board of Equalization shall inform the Controller, in writing, of the amount estimated under paragraph (1).
- (3) Commencing with the 2003–04 fiscal year, the Controller shall transfer the amount estimated under paragraph (1) from the General Fund to the fund.
- (c) For each quarter during the period commencing on July 1, 2003, and ending on June 30, 2008, the Controller shall make all of the following transfers and apportionments from the funds identified for transfer under paragraph (2) of subdivision (b) in the following order:
- (1) To the Traffic Congestion Relief Fund created in the State Treasury by Section 14556.5 of the Government Code, the sum of one hundred sixty-nine million five hundred thousand dollars (\$169,500,000), except that the transfer for the final quarter shall be ninety-three million four hundred thousand dollars (\$93,400,000), for a total transfer of three billion three hundred thirteen million nine hundred thousand dollars (\$3,313,900,000).
- (2) To the Public Transportation Account, a trust fund in the State Transportation Fund, 20 percent of the amount remaining after the transfer required under paragraph (1). Funds transferred under this paragraph shall be appropriated by the Legislature as follows:
- (A) To the Department of Transportation, 50 percent for purposes of subdivision (a) or (b) of Section 99315 of the Public Utilities Code.
- (B) To the Controller, 25 percent for allocation pursuant to Section 99314 of the Public Utilities Code. Funds allocated under this subparagraph shall be subject to all of the provisions

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governing funds allocated under Section 99314 of the Public Utilities Code.

- (C) To the Controller, 25 percent for allocation pursuant to Section 99313 of the Public Utilities Code. Funds allocated under this subparagraph shall be subject to all of the provisions governing funds allocated under Section 99313 of the Public Utilities Code.
- (3) To the Department of Transportation for expenditure for programming for transportation capital improvement projects subject to all of the provisions governing the State Transportation Improvement Program, 40 percent of the amount remaining after the transfer required under paragraph (1), except that in the 2006–07 and 2007–08 fiscal years, the transfer shall be 80 percent of the amount remaining after the transfer required under paragraph (1).
- (4) To the Controller for apportionment to the counties, including a city and county, 20 percent of the amount remaining after the transfer required under paragraph (1), except that in the 2006–07 and 2007–08 fiscal years, no transfer may be made under this paragraph. Funds transferred under this paragraph shall be allocated in accordance with the following formulas:
- (A) Seventy-five percent of the funds payable under this paragraph shall be apportioned among the counties in the proportion that the number of fee-paid and exempt vehicles that are registered in the county bears to the number of fee-paid and exempt vehicles registered in the state.
- (B) Twenty-five percent of the funds payable under this paragraph shall be apportioned among the counties in the proportion that the number of miles of maintained county roads in each county bears to the total number of miles of maintained county roads in the state. For the purposes of apportioning funds under this subparagraph, any roads within the boundaries of a city and county that are not state highways shall be deemed to be county roads.
- (5) To the Controller for apportionment to cities, including a city and county, 20 percent of the amount remaining after the transfer required under paragraph (1), except that in the 2006–07 and 2007–08 fiscal years, no transfer may be made under this paragraph. Funds transferred under this paragraph shall be apportioned among the cities in the proportion that the total

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population of the city bears to the total population of all the cities in the state.

- (d) Funds received under paragraph (4) or (5) of subdivision (c) shall be deposited as follows in order to avoid the commingling of those funds with other local funds:
- (1) In the case of a city, into the city account that is designated for the receipt of state funds allocated for transportation purposes.
 - (2) In the case of a county, into the county road fund.
- (3) In the case of a city and county, into a local account that is designated for the receipt of state funds allocated for transportation purposes.
- (e) Funds allocated to a city, county, or city and county under paragraph (4) or (5) of subdivision (c) shall be used only for street and highway maintenance, rehabilitation, reconstruction, and storm damage repair. For purposes of this section, the following terms have the following meanings:
 - (1) "Maintenance" means either or both of the following:
 - (A) Patching.

- (B) Overlay and sealing.
- (2) "Reconstruction" includes any overlay, sealing, or widening of the roadway, if the widening is necessary to bring the roadway width to the desirable minimum width consistent with the geometric design criteria of the department for 3R (reconstruction, resurfacing, and rehabilitation) projects that are not on a freeway, but does not include widening for the purpose of increasing the traffic capacity of a street or highway.
- (3) "Storm damage repair" is repair or reconstruction of local streets and highways and related drainage improvements that have been damaged due to winter storms and flooding, and construction of drainage improvements to mitigate future roadway flooding and damage problems, in those jurisdictions that have been declared disaster areas by the President of the United States, where the costs of those repairs are ineligible for emergency funding with Federal Emergency Relief (ER) funds or Federal Emergency Management Administration (FEMA) funds.
- (f) (1) Cities and counties shall maintain their existing commitment of local funds for street and highway maintenance, rehabilitation, reconstruction, and storm damage repair in order to remain eligible for the allocation of funds pursuant to paragraph (4) or (5) of subdivision (c).

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1 (2) In order to receive any allocation pursuant to paragraph (4) 2 or (5) of subdivision (c), the city or county shall annually expend from its general fund for street, road, and highway purposes an amount not less than the annual average of its expenditures from 5 its general fund during the 1996–97, 1997–98, and 1998–99 fiscal years, as reported to the Controller pursuant to Section 2151 of the 6 Streets and Highways Code. For purposes of this paragraph, in calculating a city's or county's annual general fund expenditures 9 and its average general fund expenditures for the 1996-97, 1997–98, and 1998–99 fiscal years, any unrestricted funds that the 10 11 city or county may expend at its discretion, including vehicle 12 in-lieu tax revenues and revenues from fines and forfeitures, 13 expended for street and highway purposes shall be considered 14 expenditures from the general fund. One-time allocations that have been expended for street and highway purposes, but which 15 may not be available on an ongoing basis, including revenue 16 provided under the Teeter Plan Bond Law of 1994 (Chapter 6.6 17 (commencing with Section 54773) of Part 1 of Division 2 of Title 19 5 of the Government Code, may not be considered when 20 calculating a city's or county's annual general fund expenditures.

- (3) For any city incorporated after July 1, 1996, the Controller shall calculate an annual average of expenditure for the period between July 1, 1996, and December 31, 2000, that the city was incorporated.
- (4) For purposes of paragraph (2), the Controller may request fiscal data from cities and counties in addition to data provided pursuant to Section 2151, for the 1996–97, 1997–98, and 1998–99 fiscal years. Each city and county shall furnish the data to the Controller not later than 120 days after receiving the request. The Controller may withhold payment to cities and counties that do not comply with the request for information or that provide incomplete data.
- (5) The Controller may perform audits to ensure compliance 34 with paragraph (2) when deemed necessary. Any city or county that has not complied with paragraph (2) shall reimburse the state for the funds it received during that fiscal year. Any funds withheld or returned as a result of a failure to comply with paragraph (2) shall be reallocated to the other counties and cities whose expenditures are in compliance.

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(6) If a city or county fails to comply with the requirements of paragraph (2) in a particular fiscal year, the city or county may expend during that fiscal year and the following fiscal year a total amount that is not less than the total amount required to be expended for those fiscal years for purposes of complying with paragraph (2).

- (7) The allocation made under paragraph (4) or (5) of subdivision (c) shall be expended not later than the end of the fiscal year following the fiscal year in which the allocation was made, and any funds not expended within that period shall be returned to the Controller and shall be reallocated to the other cities and counties pursuant to the allocation formulas set forth in paragraph (4) or (5) of subdivision (c).
- (g) The Los Angeles County Metropolitan Transportation Authority shall give first priority for using its share of the funds made available under subparagraphs (B) and (C) of paragraph (2) of subdivision (c) to providing the levels of bus service mandated under the consent decree entered into by the authority on October 29, 1996, in the case of Labor/Community Strategy Center, et al. v. Los Angeles County Metropolitan Transportation Authority.
- (h) For the purpose of allocating funds under paragraph (4) or (5) of subdivision (c) to counties, cities, and a city and county, the Controller shall use the most recent population estimates prepared by the Demographic Research Unit of the Department of Finance. For a city that incorporated after January 1, 1998, that does not appear on the most recent population estimates prepared by the Demographic Research Unit, the Controller shall use the population determined for that city under Section 11005.3 of the Revenue and Taxation Code.
- (i) This section shall become inoperative on the date that all encumbrances incurred for the projects funded under paragraph (3) of subdivision (e) have been liquidated or on June 30, 2008, whichever date is later, and as of the January 1 immediately following that date is repealed. (1) Notwithstanding any other provision of law, for the 2003–04 fiscal year, the sum of five hundred million dollars (\$500,000,000) shall be transferred from the Transportation Investment Fund to the General Fund as a loan.
 - (2) The loan shall be structured as follows:
- (A) Of the one hundred sixty-nine million five hundred thousand dollars (\$169,500,000) otherwise available each

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quarter during fiscal year 2003–04 pursuant to paragraph (1) of subdivision (c), the sum of fifty-five million dollars (\$55,000,000) shall be loaned each quarter during that fiscal year to the General 4 Fund.

- (B) Of the amount otherwise available each quarter during fiscal year 2003–04 pursuant to paragraph (2) of subdivision (c), the sum of fourteen million dollars (\$14,000,000) shall be loaned each quarter during that fiscal year to the General Fund.
- (C) Of the amount otherwise available each quarter during fiscal year 2003–04 pursuant to paragraph (3) of subdivision (c), the sum of twenty-eight million dollars (\$28,000,000) shall be loaned each quarter during that fiscal year to the General Fund.
- (D) Of the amount otherwise available each quarter during fiscal year 2003–04 pursuant to paragraph (4) of subdivision (c), the sum of fourteen million dollars (\$14,000,000) shall be loaned each quarter during that fiscal year to the General Fund.
- (E) Of the amount otherwise available each quarter during fiscal year 2003–04 pursuant to paragraph (5) of subdivision (c), the sum of fourteen million dollars (\$14,000,000) shall be loaned each quarter during that fiscal year to the General Fund.
- (3) The Department of Finance, on or before October 1, 2004, shall develop a repayment plan to repay the loan authorized in paragraph (1), and shall report to the Legislature in that regard. The loan shall be repaid no later than June 30, 2009, and shall be repaid with interest, if appropriate. Upon repayment of the loan, the amounts that are repaid shall be available on a pro rata basis, notwithstanding any other provision of law, for expenditure on the categories of transportation programs in paragraphs (1) to (5), inclusive, of subdivision (c) in order to allow the transportation programs identified in those paragraphs to ultimately be funded as if no loan had occurred.
- SEC. 79. Section 18409 of the Revenue and Taxation Code is amended to read:
- 18409. (a) The Franchise Tax Board shall prescribe regulations providing standards for determining which returns shall be filed on magnetic media or in other machine-readable form. The Franchise Tax Board shall may not require returns of any tax imposed by Part 10 (commencing with Section 17001) on individuals, estates, and trusts to be other than on paper forms supplied by the Franchise Tax Board. In prescribing those

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regulations, the Franchise Tax Board shall take into account, among other relevant factors, the ability of the taxpayer to comply at a reasonable cost with that filing requirement.

- (b) (1) Subdivision (a) is applicable only to taxpayers required to file returns on magnetic media or in other machine-readable form pursuant to Section 6011(e) of the Internal Revenue Code and the regulations adopted thereto.
- (2) For purposes of paragraph (1), the last sentence of Section 6011(e)(2) of the Internal Revenue Code, that excludes specified returns from regulations that would otherwise require those returns to be filed on magnetic media or in other machine-readable form, shall not apply.
- (3) In addition, the regulations under subdivision (a) shall not require that returns filed on magnetic media or in other machine-readable form contain more information than is required to be included in similar returns filed with the Internal Revenue Service under Section 6011(e) of the United States Internal Revenue Code and the regulations adopted thereto.
- (c) In lieu of the magnetic media or other machine-readable form returns required by this section, a copy of the similar magnetic media or other machine-readable form returns filed with the Internal Revenue Service pursuant to Section 6011(e) of the Internal Revenue Code, and the regulations adopted thereto, may be filed with the Franchise Tax Board.
- SEC. 80. Section 18621.9 is added to the Revenue and Taxation Code, to read:
- 18621.9. (a) If an income tax return preparer prepared more than 100 timely original individual tax returns during the previous calendar year, that income tax return preparer shall, for each subsequent calendar year thereafter except as provided in subdivision (c), file all acceptable original individual income tax returns by magnetic media or other machine-readable form that the tax return preparer prepares with the assistance of tax preparation software.
 - (b) For purposes of this section:
 - (1) "Income tax preparer" means either of the following:
- (A) Any person who prepares, in exchange for compensation, or who employs another person to prepare, in exchange for compensation, any return for the tax imposed by Part 10 (commencing with Section 17001) (hereafter Part 10). A person

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who only performs those acts described in clauses (i) through (iv) of Section 7701(a)(36)(B) of the Internal Revenue Code with respect to the preparation of a return for the tax imposed by Part 10 is not an income tax preparer for purposes of this section or for purposes of Section 19170.

- (B) Any person that prepares income taxes and that is required by this article to include an identification number on a return for the tax imposed by Part 10.
- (2) "Original individual tax return" means any return that is required, by Section 18501, to be made with respect to the tax imposed by Part 10. For purposes of subdivision (a), a "timely" original individual tax return means any original individual tax return that is filed, without regard to extensions, during the calendar year for which that tax return is required to be filed.
- (C) "Acceptable individual income tax return" means any original individual tax return that is authorized by the Franchise Tax Board to be filed on magnetic media or in other machine-readable form. For purposes of this section, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code shall not apply to any rule, notice, or guideline issued by the Franchise Tax Board that identifies a tax return as an acceptable tax return.
- (c) Subdivision (a) shall cease to apply to an income tax preparer if, during the previous calendar year that income tax preparer prepared and filed no more than 25 original individual income tax returns.
- SEC. 81. Section 19170 is added to the Revenue and Taxation Code, to read:
- 19170. (a) An income tax preparer that is subject to the filing requirements of Section 18621.9, and that fails to file an acceptable individual tax return by magnetic media or other machine-readable form as required by Section 18621.9, is liable for a penalty in the amount of fifty dollars (\$50) for each acceptable individual tax return that is not filed by magnetic media or other machine-readable form, unless it is shown that the failure is due to reasonable cause and not due to willful neglect. For purposes of this section, reasonable cause includes, but is not limited to, a taxpayer's refusal to file an acceptable individual income tax return in compliance with Section 18621.9.

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(b) The Franchise Tax Board may require an individual taxpayer or an income tax preparer to certify a taxpayer's refusal to file a tax return on magnetic media or other machine-readable form in compliance with Section 18621.9. The certification described in this subdivision shall be retained and provided to the Franchise Tax Board, as prescribed by forms and instructions.

- SEC. 82. (a) Due to the declining population of wards under the administration of the Department of the Youth Authority and the extraordinary fiscal shortfall faced by the state, it is the intent of the Legislature to direct the Department of the Youth Authority to close at least one facility no later than July 1, 2003.
- (b) It is further the intent of the Legislature to declare that there is a statewide interest in maintaining facilities in southern California close to the county of commitment of many of the juvenile wards. As a result, the Department of the Youth Authority is directed to limit the closure of a facility or facilities as described in subdivision (a) to a facility located in northern California. If the department elect to close more than one facility pursuant to this section, at least one of those facilities shall be within a 25-mile radius of the City of Stockton.
- SEC. 83. Section 912 of the Welfare and Institutions Code is amended to read:
- 912. Effective January 1, 1997 July 1, 2003, for each person committed to the Department of the Youth Authority, the county from which he or she is committed shall pay the state one hundred fifty seventy-six dollars (\$150) (\$176) per month for the time that person remains in any institution under the direct supervision of the Department of the Youth Authority, or in any institution, boarding home, foster home, or other private or public institution in which he or she is placed by the Department of the Youth Authority, on parole or otherwise, and cared for and supported at the expense of the Department of the Youth Authority. This section applies to any person committed to the Department of the Youth Authority by a juvenile court, including persons committed to the Department of the Youth Authority prior to January 1, 1997 July 1, 2003, who on or after January 1, 1997 July 1, 2003, remain in or return to the facilities described in this section.

The Department of the Youth Authority shall present to the county, not more frequently than monthly, a claim for the amount due the state under this section, which the county shall process and

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pay pursuant to the provisions of Chapter 4 (commencing with Section 29700) of Division 3 of Title 3 of the Government Code. SEC. 84. Section 912.1 of the Welfare and Institutions Code 3 4

is amended to read:

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- 912.1. (a) The Department of the Youth Authority shall present to each county, not more frequently than monthly, a statement of per capita institutional cost.
- (b) As—used in this section of July 1, 2003, "per capita institutional cost" cost," as used in this section and Section 912.5, means the lesser of (1) the current per capita institutional cost of the department or (2) the per capita institutional cost the department charged counties pursuant to Section 912.5 as of January 1, 1997 thirty-six thousand five hundred four dollars (\$36,504).
- (c) The "per capita institutional cost" set forth in subdivision (b) shall be adjusted annually, on July 1, to reflect any increases in the California Consumer Price Index for All Urban Consumers, as published by the California Department of Industrial Relations, based on regional data from the United States Department of Labor, Bureau of Labor Statistics.
- SEC. 85. Notwithstanding any other provision of law, for the 2003–04 fiscal year, the Department of Housing and Community Development shall revise the rents charged to residents of the migrant centers to reimburse the actual, reasonable, and necessary costs of operation as necessitated by the reductions included in Item 2240-101-0001 of Section 2 of the Budget Act of 2003. The department may apportion those reductions, and adjust rents, as it deems appropriate in the 2003–04 fiscal year.
- The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the administrative efficiency and administrative cost reductions achieved by establishing a county of the first class as an administrative agent with respect to the reallocation of property tax revenues to local educational entities.
- SEC. 87. Sections 51, 52, 54, and 68 of this act shall become 36 37 operative on the 15th day following enactment, or on July 1, 2003, 38 whichever is later.
- SEC. 88. No reimbursement is required by this act pursuant 39 40 to Section 6 of Article XIII B of the California Constitution for

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certain costs that may be incurred by a local agency or school district because in that regard this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

However, notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.

SEC. 89. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to make the necessary statutory changes to address the state budget crisis at the earliest possible time, it is necessary that this act take effect immediately.

All matter omitted in this version of the bill appears in the bill as amended in the Senate, January 30, 2003. (JR 11)

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